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Clinton Orders 200,000 Tonnes of Wheat to Caucasus

LD2007051294 Moscow ITAR-TASS World Service in Russian 0220 GMT 20 Jul 94

[Text] Washington, 20 Jul—U.S. President Bill Clinton has given orders to send 200,000 tonnes of U.S. wheat to the Caucasian republics of the former Soviet Union. In a memorandum to Secretary of Agriculture Mike Espy, the head of the White House explains his decision by the fact that there is an acute food shortage in the Caucasus that is already leading to famine among the population. That is why, the President pointed out, the people of these new independent states urgently need grain from the U.S. reserves.

"This wheat will be used as urgent humanitarian aid to the peoples of this region, who are suffering from hunger and malnutrition that has spread widely," says Clinton's short message.

Kozyrev Visit to ASEAN Meeting in Bangkok Previewed

MK2007194094 Moscow SEGODNYA in Russian 20 Jul 94 p 1

[Leonid Velekhov report in the "Diplomacy" column: "Andrey Kozyrev Goes to Bangkok. Russia Hopes To Become a Full-Fledged Partner of the 'Asian Tigers'"]

[Text] This evening Russian Foreign Minister Andrey Kozyrev will go to Bangkok for the 27th meeting of the ASEAN member states' foreign ministers. Russia, along with the United States, Canada, Japan, South Korea, and other Pacific Rim countries, is taking part in this forum as partner of the so-called Southeast Asian "tigers." Russian diplomacy expects that contacts in Bangkok will provide a new impetus to the country's political and economic cooperation with "the most promising" states of Southeast Asia and the Asian Pacific as a whole. Kozyrev's program is fairly busy: In addition to the ministerial meeting, he will take part in the ASEAN forum "Security in the Asian-Pacific Region: Problems, Possibilities, and Measures of Trust in the Context of Preventive Diplomacy," and he will also have a number of bilateral meetings with his colleagues who have come to Bangkok, including U.S. Secretary of State Warren Christopher, Japanese Foreign Minister Kono, and others. Apart from this, Kozyrev will visit Thailand. His contacts with that country's political leaders can contribute to deepening the breakthrough into the region that occurred in the past year thanks to Andrey Kozyrev's negotiations in Malaysia and Singapore.

The Bangkok "rally of chancellors" can be seen as a major political event in every respect, transcending the framework of regional diplomacy. The ministers' meetings—both general and "one to one"—are expected to discuss key questions of world cooperation. One sensation expected of the Bangkok forum is the scheduled, although not so far officially confirmed, meeting between Warren Christopher and Vietnamese Foreign Minister Nguyen Manh Cam—the first such meeting since the Paris peace agreements were signed in 1973. According to one version, after Bangkok Christopher will visit Hanoi where he will take part in opening a "liaison mission."

CIS Foreign, Defense Ministers Meet in Moscow

Fail To Resolve Main Issues

LD1907160294 Moscow Ostankino Television First Channel Network in Russian 1400 GMT 19 Jul 94

[Report over video by correspondent German Solomatin; from the "Novosti" newscast]

[Text] Sessions of the Council of Defense Ministers and of the Council of Foreign Ministers of CIS countries took place in Moscow today.

[Solomatin] Opening the session of the Council of Foreign Ministers, Russian Foreign Minister Andrey Kozyrev said that there were constitutional changes of power in a number of countries on the territory of the CIS, a fact that is both encouraging and lays down the foundations for political stability. A session memorandum, drawn up by the heads of CIS Foreign Ministries for the meeting of CIS heads of states in Sochi this September, and aiming to resolve issues common to the CIS, was one result of the foreign ministers' work. This memorandum contains, among other things, a proposal to introduce CIS citizenship on the territory of the CIS, to step up the work of the Interparliamentary Assembly, and to organize and equip strict foreign borders for the CIS and transparent borders within it.

True, all this happened this morning: At 1500 hours both Andrey Kozyrev and Pavel Grachev, speaking at a joint session of the Councils of Ministers of Foreign Ministers and Defense of the Commonwealth, concluded that neither council had resolved the main issues. Pavel Grachev said with regret that the currently very necessary issue of a concept of collective security and of guaranteeing the peacekeeping operation in the Georgian-Abkhaz conflict zone was not solved. According to reliable sources, only Russia and Tajikistan will continue this operation. All the rest limit themselves to being observers, on the grounds that their parliaments have made no decision on this, and that funds are lacking. Pavel Grachev will report on what has happened at the meeting of CIS heads of state in Sochi. The military were right when they declared yesterday that they had already found a common language, and were ready for active joint actions in hot spots: It is the absence of political decisions that is putting a brake on this process.

Grachev on Peacekeeping

LD1907134694 Moscow Mayak Radio Network in Russian 1218 GMT 19 Jul 94

[Text] In the immediate future, the main burden of military and economic cooperation with CIS states will rest fully on Russia. Personally I do not accept this, Russian Defense Minister Pavel Grachev said today at a regular sitting of the Council of Ministers of the CIS memberstates in Moscow. Our correspondent Olga Yermakova asked Pavel Grachev to comment in greater detail on his stance.

[Begin recording] [Grachev] We discussed three issues: dispatching a contingent of peacekeeping forces, training peacekeepers in Russia's establishments of higher education, and financial and technical support for peacekeeping operations. A direct question was asked: Who wishes to and who is going to render peacekeeping assistance, particularly in the Abkhazian-Georgian conflict zone, and how will they do it? Having heard them all, not a single state declared or is willing to send its peacekeepers to the Georgian-Abkhazian conflict zone, with the exception of Tajikistan, which stated its wish to send a reinforced company to the conflict area. Certain states are willing to send envoys but, as you know, one will not get a lot of peacekeeping out of envoys. As for financing, a veil was drawn over all that too. In other words, they did not agree to this either.

So, as before, the main burden and the main share of responsibility will rest with Russia. Thus, at my suggestion, examination of this matter was naturally dropped. With the help of my aides, I will now prepare a short report, and at the sitting of CIS heads of states on 9 September in Sochi, I will inform them of the current stance of the minister of defense.

[Yermakova] All the same, were any agreements at all reached?

[Grachev] You see, the point of all agreements is, well, to get something from Russia, to learn something from Russia—and, if at all possible, for free. I do not accept this desire simply to grab something for oneself without considering what might happen to that state in the future. What if, God forbid, misfortune should strike that same state that has refused to take part in peacekeeping? How will it behave then? Once again it will beg for help, and once again it will be to Russia, while the rest will bow their heads in shame and remain silent. But this is no way to go on. If we are a commonwealth we are a commonwealth and we should be together.

[Yermakova] So then, Pavel Sergeyevich, how can one talk about collective security?

[Grachev] Well, I will not give up the idea of moving toward a defense alliance, perhaps not a defense but rather an integrated alliance of some kind to begin with. But a defense alliance is, of course, my dream. [end recording]

Kozyrev Addresses Foreign Ministers

LD1907111994 Moscow ITAR-TASS in English 1102 GMT 19 Jul 94

[Text] [No dateline as received]—A new phase has begun in the evolution of the Commonwealth of Independent States, Russian Foreign Minister Andrey Kozyrev said in his opening address to the conference of the foreign ministers of the Commonwealth member states. The conference is being held in the Russian Government guest house on Moscow's Vorobyovy Hills.

Kozyrev said the agenda's central item concerns a plan for the integrational development of the Commonwealth. The conference will also consider the latest initiatives in the field of strengthening the alliance. Kozyrev stressed that

the ministers would concern themselves not only with the pressing problems of the day but also with perspectives for cooperation.

The conference is being held a few days after the presidential elections in Ukraine and Belarus. On behalf of the assembled ministers of foreign affairs of the Commonwealth member states Kozyrev congratulated Leonid Kuchma and Alyaksandr Lukashenka on the election as their respective countries' top officials and stressed that the constitutional processes in both republics had resulted in free and fair elections and facilitated the further evolution of democratic institutes of power.

The range of subjects for discussion includes a draft convention on minority rights, the rules for representing the Commonwealth in international organisations and at forums, the establishment of a cis office at the U.N headquarters in Geneva.

The ministers will also consider expert proposals for the division of the former Soviet non-military sea-going fleet.

On Tuesday afternoon, the defence ministers will continue work together with the defence ministers of their countries, a Foreign Ministry official said.

Kozyrev Appraises Meeting Results

LD1907171694 Moscow INTERFAX in English 1534 GMT 19 Jul 94

[From the "Diplomatic Panorama" feature: reports by diplomatic correspondents Igor Porshnev, Vitaliy Trubetskoiy, and others]

[Text] Russian Foreign Ministry Andrey Kozyrev told Interfax that he considered the results of the meeting of the Council of Foreign Ministers of the CIS member-states in Moscow today as very successful.

The CIS foreign ministers discussed several documents, including the draft memorandum of the Council of CIS Heads of State on guidelines for further integration within the CIS, the draft convention on human rights of ethnic minorities, the declaration on equal rights and the right of people to decide on their destiny proposed by the Armenian delegation.

The agenda of the meeting also included issues on representation of the CIS in international organizations and forums, on establishment of CIS missions under the UN organizations in Geneva and on division of state civil ships of the former USSR.

Commenting on the results of the discussion on the draft memorandum, Kozyrev stressed that the discussion was productive. However, some problems emerged which "require a more serious interdepartmental coordination," he added. He said the concept of further integration within the CIS had been discussed during the meeting and considered it as a matter of vital importance. He said the draft memorandum on integration within the CIS would be submitted for consideration by the meeting of the CIS heads of government in Moscow planned for September 9 and in a month would be transferred to the Council of CIS Heads of State.

Kozyrev told journalists that the meeting of the CIS foreign ministers had contributed to development of integration in all spheres. He said it helped to realize the situation and to think about possible developments which could lead either to further uncontrollable collapse which we had managed to prevent earlier or certain rapprochement and cooperation.

Kozyrev said he believed that any citizen of the CIS countries could be sure that the concept would be worked out which would let him see in what country and in what Commonwealth he and his children would live.

Interfax learned from diplomatic sources that the draft memorandum (which was discussed behind the closed doors provided for gradual transformation of the CIS into an efficient organization which would have future.

The draft memorandum said that the main direction of integration in the near future was to enhance efficient economic cooperation as the essential precondition for overcoming crises and revitalizing the economy of the CIS countries. The draft document proposed to abolish the customs union in order to lift all customs barriers in trade relations between its members and to create a payment union in order to resolve the problem on payments and settling between the CIS countries.

The meeting stressed that in the military sphere the main task was to create a system for common defense and to enhance cooperation for securing the CIS external borders.

The draft memorandum said that the concept of joint implementation of peacekeeping operations by the CIS countries must be carried out.

In the sphere of human rights it was proposed to establish institution of CIS citizenship in additional to national citizenship in the CIS countries.

This afternoon the Council of CIS Defense Ministers and the Council of CIS Foreign Ministers had held a joint meeting. For more information refer to the evening issue of Interfax- News bulletin.

Kozyrev on Development Prospects

LD1907212494 Moscow Russian Television Network in Russian 1625 GMT 19 Jul 94

[Interview with Russian Foreign Minister Andrey Kozyrev by correspondent Nikolay Svanidze, date not given; from the "Details" program—recorded]

[Excerpt] [Svanidze] This conversation took place in the Winter Gardens at the CIS Joint Armed Forces Headquarters.

[Kozyrev] You see how the subjects under discussion have changed. For the first year or 18 months, probably quite naturally, there was such fear of anything that recalled the former Soviet Union in any way. The work done was

mainly on issues connected with the past, it was focused more on what was called a civilized divorce—and it is a good thing that it was civilized. But questions concerning the future that were contained in the Commonwealth's founding documents, the Belovezhskaya Pushcha and the Alma-Ata [Almaty] Agreement contained elements concerning the return to cooperation and to integration, these were at first given secondary importance in the CIS's work. But the reverse is happening now. It is not the past that is dominating the agenda, but the question of how we are to move forward.

[Svanidze] What you are saying now sounds quite optimistic, are there no longer any problems?

[Kozyrev] No, I would not like people to get that idea. I am saying that there is a tendency in the work of the Commonwealth bodies that obviously reflects a change in social attitudes and in the awareness of today's and—more importantly—tomorrow's needs. The questions that have been worrying us for two years, of what will happen to us, whether we will split up, or whether there will be war on CIS territory, and so on and so forth, whether new Berlin Walls will grow in the form of insurmountable customs barriers and so on. This is what worries people, whether economic links will be developed, whether it will be possible to visit your mother-in-law for tea in Kiev. The answers to these questions look much more hopeful today than they did even yesterday.

[Svanidze] Andrey Vladimirovich, if I understand things correctly, the decisions that the ministers initialled today will be signed by the head of states without undue procrastination. What exactly was decided today?

[Kozyrev] The main outlines were approved today of the concept for further integration within the CIS, with good prospects, prior to the development of what I will call a closely integrated association. That is the main thing. There were a number of decisions that will give more strength to developments in the military-political sphere. We have started to plan systems for collective security, or you could say for a defense union of the states that participate in collective security. That is in addition to a draft convention that has finally been adopted, approved, and put on the table for consideration by the heads of state. It is about the rights of members of ethnic minorities. We Russians tried to get this question discussed at the very beginning when the CIS was created and it has taken two and a half years to get this draft approved. [passage omitted]

Common Defense Convention Signed

LD1907194694 Moscow INTERFAX in English 1816 GMT 19 Jul 94

[Text] The Convention of Common Defense of the participants in the CIS treaty on common defense and a project for the development of integration within the CIS was signed at a joint meeting of the Council of CIS Defense Ministers and the Council of CIS Foreign Ministers in Moscow today.

Chief of the Headquarters for Coordination of Military Cooperation of the CIS countries, Colonel-General Viktor Samsonov told Interfax that Azerbaijan and Belarus had not signed these documents.

Samsonov said the meeting had failed to make a decision on the participation of CIS countries in the peacekeeping operation in the zone of the Georgian-Abkhaz conflict together with Russia. Proposals on this issue would be worked out and submitted for consideration by the next meeting of the Council of CIS Heads of Government and the Council of CIS Heads of State. Samsonov said no other CIS country except Russia wanted to allot forces for peacekeeping operations. Neither does anyone but Russia want to finance peacekeeping operations, Samsonov said.

Samsonov said that the meeting had decided to develop military cooperation between the participants in the treaty on common defense, including cooperation in repairing equipment and arms and development of the infrastructure of the armed forces.

Samsonov said the meeting had in fact agreed that repairing military equipment would be paid for in hard currency. He said he believed that this could lead to cooperation in the creation of new military equipment in the future.

Samsonov said he could not affirm that much had been done to develop military cooperation during the meeting. He added, however, that this marked a move forward towards integration.

Ministers Discuss Eurasian Union

LD2007102394 Almaty Kazakh Radio Network in Kazakh 0100 GMT 20 Jul 94

[Text] The council of the CIS foreign ministers held its meeting on 19 July in Moscow. The main topic under agenda was the adoption of a prospective plan for facilitating the Commonwealth's integration processes. The executive secretary of the CIS, Ivan Korochenya, presented the draft plan and stressed that the plan is mainly based on Nursultan Nazarbayev's ideas on integration processes. The head of a Kazakhstan delegation and Kazakh Foreign Minister Kanat Saudabayev supported the prospective plan for integration processes in the Commonwealth, which is a further implementation of provisions, outlined by Nazarbayev in his proposal on the Euroasian Union. He urged his colleagues to facilitate drafting of integration projects in different areas of cooperation on the eve of the forthcoming meeting of the CIS heads of state in September.

Near Abroad Owes 3.2 Trillion Rubles for Energy

MK1907112094 Moscow SEGODNYA in Russian 19 Jul 94 p 1

[Unattributed report: "They Are 3.2 Trillion Rubles in Arrears for Energy Resources to Russia"]

[Text] During the first six months of 1994, Russia supplied to the CIS and the Baltic countries 61 percent of oil, 93

percent of natural gas, as well as 47 percent, 24 percent, and 7 percent of fuel oil, diesel oil, and gasoline respectively over the same period last year. At the same time the delivery quotas to countries of the "near abroad" for the six months were met 100 percent as regards gas, 88 percent as regards oil, and 29 percent as regards gasoline. As of 1 June, the total debt to Russia stood at 3.2414 trillion rubles with Ukraine owing 54 percent of the total debt, Belorussia [Belarus] 17 percent, and Kazakhstan 15 percent.

ITAR-TASS Carries Press Review for 20 Jul

LD2007064894 Moscow ITAR-TASS in English 0635 GMT 20 Jul 94

["Press Review"—ITAR-TASS headline]

[Text] Moscow July 20 ITAR-TASS—ROSSIYSKAYA GAZETA leads with a report about the inauguration of Ukraine's new President Leonid Kuchma, which notes among other things that his predecessor Leonid Kravchuk "left him a cumbersome heritage". The new head of state "is facing a number of complex tasks to be accomplished simultaneously - to pull the country out of the economic collapse, to begin, at long last, to implement economic reforms, consolidate on this basis the country's eastern and western regions, and strengthen links to Russia.

The newspaper reports that the bureaucracy is swelling in the country. It cites Prime Minister Victor Chernomyrdin as saying that the number of budget-maintained officials in Russia increased by 200 thousand or almost one-fourth last year.

The newspaper also reports that the Moscow court of arbitration on June 22 cancelled the Moscow mayor's decision to create an open joint-stock company in the basis of the famous Hotel Moskva located across the street from the Kremlin.

ROSSIYSKIYE VESTI leads with a story of the unprecedented ballyhoo in the Finance Ministry of the Russian Federation caused by the State Duma's resolution to increase minimum pensions by 1.4 times from August 1 instead of by 1.5 times as decreed by the government of the Russian Federation. As the lower house of the Russian federal legislature is due to adjourn for vacations soon, the executive will have to undo the know tied by the legislators, the newspaper says. "all pensioners will come to demand a higher pension in August, to be sure".

The same newspaper informs the reader about the conferences of the foreign and defence ministers of the commonwealth member-states in Moscow and stresses that their participants focus on plans for the international development of the commonwealth and the conceptual framework of collective security.

KRASNAYA ZVEZDA draws the attention of its readers to the need for the peacekeeping operation in the conflict zone between Georgia and Abkhazia to be made collective in character. Russia is ready to share the burden both with participants in the collective security agreement and other component parts of the commonwealth, the newspaper says. Regrettably, this proposal by the head of the Russian delegation met no clear response on the part of other participants in the conference, the newspaper says. The Russian troops remain the only peacekeeping force in the zone, the newspaper stresses.

RABOCHAYA TRIBUNA publishes an interview with the chairman of the State Duma committee on labour and social support, Sergey Kalashnikov. He calls for making clear to the people the soonest possible the reliable prospects capable of encouraging "what some people call enthusiasm, and other corporative spirit capable of working wonders". The main thing is that it must not be "an enthusiasm of demolition which leaves nothing but hurts and blisters, but an enthusiasm of creation", the author stresses.

Ukraine's Deputy Interior Minister Yuriy Kravchenko in an interview with the same newspaper traces the history of the struggle against the growing number of drug addicts in the republic caused by the crisis in society. Forty-two thousand people have been registered as drug users over the past few years, and thirty-one thousands people have been on record as needing medical treatment. The actual number of drug addicts is estimated at half a million people, Kravchenko says in the interview. "Fears are not without ground that Ukraine might turn into a transit point for narcotics to Europe along the so-called Afghan and Balkan routes," the Ukrainian minister stresses.

Further development of good relations between Russia and the United States was the subject of a roundtable discussion in which the newspaper's editors conferred with the editor in chief of the American magazine Catherine Vanden Haywell and political scientist Stephen Cohen.

TRUD criticises Russian Vice Premier Aleksandr Zaveruykha for his over-optimistic promises that Russia would harvest at least 90-95 million tonnes of grain this year. The newspaper believes that 80 million tonnes is the most the country can hope for, as the production slump is expected to reach 45-50 percent of the late- eighties level this year.

The commander in chief of the Russian Army in Germany Matvey Burlakov recounts in his interview with KOMSOMOLSKAYA PRAVDA the difficulties faced by the troops preparing for the withdrawal from that country. "We entered that country as the winners almost half a century ago, we became partners and friends and are now leaving as such," he said.

NEZAVISIMAYA GAZETA cites experts from the Russian law enforcement agencies as saying that the flaws in legislation regulating economic relations in Russia create a

real threat of turning the country into a huge money laundry and a testing site for embezzling state resources. In the first half of 1993 the country exposed 61, 514 economic crimes and 8,389 particularly dangerous economic crimes involving huge amounts of money and property, the figures for the first half of this year are 72,163 and 9,063 respectively.

The press reports the bombardment of Jupiter by fragments of the once-whole comet and that the first strike left a spot measuring two thousand kilometers in diameter on the surface of that planet. According to scientists, the bombardment will exert no influence whatsoever on the earth because the distance between the two planets is too great.

PRAVDA carried an interview with the famous film actor Vyacheslav Tikhonov who asserts that "the notorious perestroyka begun by Gorbachev did considerable harm to many aspects of our life and culture as a whole, including cinematography".

Liberal-Democratic Party leader Vladimir Zhirinovskiy said in an interview with PRAVDA that in order to pull the country out of the crisis, it is necessary to "put an end to all assistance to other countries, give up the blockade of Iraq, Libya, and Yugoslavia". "The Americans and the West Europeans are the only ones who gained from the blockade, but not we", he said.

Yeltsin, Clinton Congratulate Ukraine President

LD1907110394 Moscow ITAR-TASS in English 1039 GMT 19 Jul 94

[Text] Kiev July 19 (ITAR-TASS)—Ukraine's President Elect Leonid Kuchma has just been sworn in as the independent republic's second president at a special session of the Supreme Soviet (parliament) of the Republic of Ukraine.

In his message of greetings to Kuchma, Russian President Boris Yeltsin confirmed Russia's desire for the unswerving development of equitable and mutually beneficial relations, friendship and good partnership with independent and sovereign Ukraine. "We hope for a similar approach on the part of Ukraine," the Russian president said.

The Russian president said it is the Russian leadership's firm conviction that "comprehensive and active cooperation between Russia and Ukraine, which are closely linked by century- old ties of friendship, common history, ethnic and cultural affinity would facilitate economic progress and security of both our states and meet in full measure the interests of the entire world community".

U.S President Bill Clinton expressed in his message the hope that normal working relations would be established with the new Ukrainian president, and mutually beneficial cooperation between the two countries would continue. He said Ukraine was of extremely great importance for the United States and the West, and expressed confidence that the trilateral agreement on nuclear weapons between Ukraine, the United States and Russia would be successfully fulfilled.

Meanwhile Ukrainian politicians forecast considerable difficulties the new president will have to face. The main among them is the task of raising the country's wellbeing, according to Ukrainian economist Vladimir Pilipchuk. According to him, "the new head of state should implement economic reforms as soon as possible and as well as possible".

According to Vice Premier Nikolay Zhulinskiy, "the voters cast their ballots not so much against Leonid Kravchuk as against the crisis in which the country had found itself. The vice premier believes that the treaty of friendship and cooperation with Russia should be signed the soonest possible. There is nothing to fear in this, because no return to the old economic system is possible any longer, Zhulinskiy thinks.

The leader of the Democratic Ukraine Association, Dmitriy Pavlychko says no close cooperation is likely between President Leonid Kuchma and parliament chairman Aleksandr Moroz. He does not rule out confrontation between the two branches of power because there is no love lost between the parliament speaker and the presidential structures. He is sure that Leonid Kuchma is "a strong personality", but he should remember the mistakes he made as prime minister. "Kuchma's chief mistake was that he initiated decrees which equalled laws in force. They broke the taxation system and currency regulation," Pavlychko said.

As concerns former president Leonid Kravchuk, he said he would not give up big-time politics. It is not yet known what he would busy himself with, but it is rumoured that, like former Soviet president Mikhail Gorbachev who heads the Gorbachev Fund, the former Ukrainian president intends to set up a Kravchuk Fund.

In his activity, the former president of Ukraine would like "to reconcile the twelve million citizens who voted for me with the fourteen million who favoured Leonid Kuchma. This is necessary to build an economically strong independent state," he said.

Foreign Ministry Spokesman on Iraq Sanctions

LD1907132294 Moscow ITAR-TASS World Service in Russian 1227 GMT 19 Jul 94

[By ITAR-TASS diplomatic correspondents Aleksandr Krylovich and Petr Cheremushkin]

[Text] Moscow, 19 Jul—Russia, at present, is not raising the question of reviewing the sanctions imposed on Iraq. At the same time, the UN Security Council must "react in an appropriate manner to the positive shifts in Baghdad's position on the disarmament aspects of the UN demands," Mikhail Demurin, deputy director of the information and press department of the Russian Federation Foreign Ministry, said at a briefing today.

In the opinion of the Russian diplomat, "there should be a defined monitoring period after which the Security Council would be prepared to examine the question of lifting the oil embargo on Iraq." M. Demurin thinks that "such a stance would help strengthen the authority of the UN Security Council and the practical implementation of the partnership between Russia and the leading Western countries - a partnership based on regard for each other's interests."

The Foreign Ministry spokesman stressed the need for Iraq to implement all the relevant UN Security Council resolutions. In particular, Baghdad should recognize clearly and unambiguously the sovereignty of Kuwait and its international border with it and throw light upon the fate of Kuwaiti citizens who went missing on Iraqi territory during the conflict.

Foreign Ministry Deplores U.S. Senate Decision

LD1907135394 Moscow ITAR-TASS World Service in Russian 1249 GMT 19 Jul 94

[By ITAR-TASS diplomatic correspondents Aleksandr Krylovich and Petr Cheremushkin]

[Text] Moscow, 19 Jul—Mikhail Demurin, deputy director of the department of press and information of the Ministry of Foreign Affairs of the Russian Federation, has called the decision by the U.S. Senate to link aid to Russia with the withdrawal of its troops from Estonia "counterproductive."

The Russian diplomat stressed that this is particularly distressing "when account is taken of the complex development of the Russian-Estonian talks and the efforts which we have made to settle as quickly as possible the entire set of issues connected with the withdrawal of Russian troops." According to M. Demurin, Russia is expecting "the shortsighted and biased approach" displayed by the American Senate "to be corrected in the spirit of the partnership relations which are developing between us."

The Foreign Affairs Ministry spokesman noted that the process by which the U.S. Congress took up this matter is not yet complete. What is at issue so far is a unilateral initiative by its upper chamber in the form of a draft amendment to a bill on foreign aid. The bill, which was adopted by the House of Representatives, does not stipulate a time scale for the withdrawal of Russian troops. Thus, for the bill to acquire the force of law it must be approved by the U.S. President.

Duma Member Criticizes U.S. Senate Stance

LD1907121994 Moscow ITAR-TASS World Service in Russian 1112 GMT 19 Jul 94

[By Lyudmila Aleksandrova, ITAR-TASS correspondent]

[Text] Moscow, 19 Jul—The U.S. Senate's decision to link granting U.S. aid to Russia with withdrawing Russian troops from Estonia is an attempt by the United States "to become a dictator in the political life of the world." This assessment was made today in an ITAR-TASS interview by Viktor Ilyukhin, chairman of the Security Committee of the State Duma.

The committee chairman, who represents the Communist Party of the Russian Federation, said his views are shared not only by members of his party's parliamentary group but also by "the majority of all deputies of the State Duma."

The head of the parliamentary committee views the stand taken by the U.S. Senate as "in effect, a return to the cold war era." At the same time he expressed the belief that "a constructive position on the part of the United States and other Western countries would without doubt influence the conduct of the leaders of the Baltic republics with regard to the observance of human rights there."

If U.S. policy in this area "were tougher," all the Baltic republics, in his view, would have drawn "certain conclusions" and the problem of the observance of the rights of the Russian-speaking population to a large extent would have been settled.

The chairman of the security committee expressed the belief that the Russian authorities should also put more pressure on the Baltic countries. "Our leadership has enough levers, both political and economic, which can be directed to protect the Russian-speaking population. This would not be in contravention of any international agreements or treaties," he stated.

Grachev Calls for Revision of Border Protection System

LD1907122494 Moscow ITAR-TASS in English 1116 GMT 19 Jul 94

[By ITAR-TASS correspondent Vladimir Gondusov]

[Text] Moscow July 19 TASS—Russian Defence Minister Pavel Grachev has called for revising the system of protecting the country's borders. His proposal is currently being considered by the Russian National Security Council, Grachev told journalists today.

According to the minister, his proposal calls for the transfer of the border guard troops to the country's Armed Forces which will guard and protect Russia's borders.

"The situation has emerged in which the border guards are responsible for the land and water surface, while the Army and the Navy are responsible for the air and the sea depths, which is not quite the best division of responsibilities," the minister said. According to Grachev, the border troops should be "responsible for everything".

At today's meeting of the defence ministers of the Commonwealth member-states, Grachev proposed discussing the possibility of transferring the Russian 201st Motor Rifle Division deployed in Tajikistan and guarding that country's borders to the border troops. But the proposal met with no support on the part of Grachev's colleagues from Commonwealth countries, including the defence minister of Tajikistan and the commander of the allied peacekeeping forces in the republic.

Talks With Estonia Yield No Results

LD1907174094 Moscow Russian Television Network in Russian 1600 GMT 19 Jul 94

[From the "Vesti" newscast]

[Excerpts] In Helsinki today Russian-Estonian consultations on completion of the talks on the withdrawal of Russian troops from Estonia have begun. [passage omitted]

Today, news agencies are quoting the words by Defense Minister Pavel Grachev that Russia will not withdraw its troops from Estonia until the problem of the Russian-speaking population in that Baltic republic is resolved. At a meeting with journalists, Grachev said that according to preliminary reports from Finland, the Russian- Estonian talks have not yielded any results.

Border Guards Demarcate Russia-Estonia Border

LD1907195394 Moscow ITAR-TASS in English 1936 GMT 19 Jul 94

[By ITAR-TASS correspondent Olga Solodova]

[Text] Moscow July 19 TASS—"We are prepared to begin operations for the demarcation of the Russian-Estonian border as early as on August 1, provided there is a

corresponding agreement with Estonia," said Colonel-General Andrey Nikolayev, commander-in- chief of Russian border guard troops. In the meantime, for purposes of protection of Russia's economic and political interests and, taking into account Estonia's negative attitude to the demarcation of the border, and on the basis of the Russian presidential decree Russian border guards unilaterally began operations for the demarcation of the Russian-Estonian border.

Nikolayev said that the Russian side determines the border line on the basis of official documents in its possession. Corresponding technical facilities are being installed on the border. No special wire-net fences will be erected, although this would enable to detect 90 per cent of violators at the approaches to the border. Three new border guard detachments were deployed on the Russian-Estonian border. A brigade of river boats patrolling the Chudskoye and Tyoploye Lakes protects Russia's fish stock from poachers. Russia has also unilaterally demarcated the border along the Gulf of Finland.

Talks on the demarcation of the Russian-Finnish border have been going on since 1993. On June 30, 1994 the Estonian State Assembly adopted a law envisaging the demarcation of the border in accordance with the Tartuss peace treaty of February 2, 1920, under which the Pechora and the Zanarovye regions are considered by Estonia as part of its territory, which is not under Estonia's jurisdiction.

Russia proceeds from the assumption that the treaty has lost its legal force after Estonia joined the Soviet Union. Besides, Russian officials reiterated that the territories given to Estonia under the Tartuss agreement, are "Russia's primordial territories."

Churkin Refuses To Comment on Estonian Talks

LD1907132794 Moscow ITAR-TASS World Service in Russian 1205 GMT 19 Jul 94

[By ITAR-TASS correspondent Vladimir Mostovets]

[Text] Helsinki, 19 July—Russo-Estonian consultations began in the Finnish capital today, with Vitaliy Churkin and Raul Malk, Russian and Estonian deputy foreign ministers, taking part. The objective is to help conclude the negotiations on the withdrawal of Russian Federation troops from Estonia. The meeting is strictly confidential, and even its location is being kept secret from journalists.

On arrival at the Helsinki airport, V. Churkin refused to comment about the upcoming negotiations, saying that the participants had an understanding to that effect. He did, however, express gratitude to Finland for assistance in conducting the Russo-Estonian meeting in Helsinki, stressing that if the negotiations end unsuccessfully, the fault for this would by no means lie with the Finnish side.

Giving a brief description of the situation in former Yugoslavia, Vitaliy Churkin pointed out that the question of ending military action and establishing peace there is now wholly dependent upon whether the warring sides accept the international contact group's plan on a settlement of the conflict in Bosnia-Herzegovina. If this plan is approved, in the very near future a ministerial-level meeting of all the parties will be held in Geneva which will finally put an end to the war in former Yugoslavia, he emphasized.

Estonia's Treatment of Russian-Speakers Criticized

MM2007095994 Moscow ROSSIYSKAYA GAZETA in Russian 19 Jul 94 First Edition p 1

[Article by Boris Glebov: "Have They Forgotten About Human Rights? Estonian Claims For Export"]

[Text] The question of the withdrawal of Russian troops from Estonia is suddenly back on the front page following the recent decision by the U.S. Senate. If you drop the diplomatic protocol, Russia has effectively been told to withdraw the remnants of its military formations by 31 August at all costs, without regard either for the fate of the Russians left in Estonia or for the property problems of Russian-Estonian mutual relations.

The U.S. side's approach was best expressed in a discussion between Western political scientists on Radio Liberty a few days ago. The Radio Liberty experts discussed one question, which was how to persuade (compel) Moscow to withdraw its troops from Estonia without delay by 31 August. The actual course of the discussion for some reason reminded me of a "chewing out" at some CPSU oblast committee in the unforgettable past on the topic of the late delivery of facilities for the next proletarian gala.

During the exchange of opinions the Radio Liberty experts suddenly came up with the West's very interesting argument in "favor" (?) of the immediate withdrawal of Russian troops. The Americans' argument is simple: You, that is, Russia, yourselves announced in 1991 the unconditional withdrawal of your troops from the Baltic countries, without, in fact, specifying any guarantees for Russian citizens remaining in Latvia, Lithuania, and Estonia. The Baltic countries have no major international obligations regarding the question of Russian-speaking citizens, Russian Army property, and so on. And since there are no obligations, it is no good Russia's making any claims. Moscow itself is responsible for the situation!

In my opinion, this viewpoint is a glaring example of double standards in the sphere of human rights. It must not be forgotten that Estonia (and really we are talking about it alone) has subscribed to the Helsinki Act, has joined the Council of Europe, and has subscribed to the Paris Charter for a new Europe...

All these documents enshrine the rights of **all** individuals in the particular countries, rights that are not dependent on religion, nationality, and so on.... After repeated visits to Estonia, Max van der Stoel, CSCE high commissioner for ethnic minorities, sent a message to President Lennart Meri, indicating specific instances of discrimination

against the Russian-speaking population, and recommended bringing Estonian legislation into line with international legal norms. Certain "cosmetic" amendments were then made to articles of the law "On Foreigners," but no action has been taken on the main comments and recommendations by the CSCE high commissioner.

The current Estonian leadership's attitude toward its own fellow citizens, identified as "ethnic Russians," is, in fact, the reason why the whole package of Russian-Estonian interstate agreements has not been signed yet. Russia will never abandon Russian military pensioners in the Baltic countries to the mercy of fate. But Estonia is actually demanding not just the withdrawal of the last Russian army units from its territory, but also the removal, evacuation, and deportation of the bulk (!) of the Russian military pensioners, as if old men, who were once honest soldiers or officers, were the main threat to sovereignty and democracy in the new Estonia!

But given this approach, you cannot really talk of democracy and human rights in Estonia. This was the approach that marked the start of the horror of World War II: The division of citizens into pure and impure bodes ill; and what if the idea of "Estonia for Estonians" triumphs and the chief initiators and ideologists of a "pure Estonia" subsequently discover, God forbid, some remote Russian ancestors? What then?...

We are talking about political morality. Of course, there are other unresolved issues in Russian-Estonian relations, but again they are all propagandist rather than political. Who in today's world would seriously raise the question of a revision of the Russian-Estonian border? It is clear that Estonia's demands are intended entirely for "export," for use in the U.S. Senate or behind the scenes at the United Nations.

Kozyrev, Zlenko View Friendship Treaty

LD1907145694 Moscow INTERFAX in English 1355 GMT 19 Jul 94

[Text] Russian and Ukrainian foreign ministers, Andrey Kozyrev and Anatoliy Zlenko, during a telephone talk on Monday discussed the issue of the treaty on friendship and cooperation between the two states and agreed to start the drafting process. The spokesman for the Russian Foreign Ministry Mikhail Demurin, at a briefing in Moscow on Tuesday, said that the Ministers also exchanged views on current prospects in bilateral relations.

Moscow believes that both Kiev and Moscow are on the threshold of a new stage in the development of their bilateral relations, said Demurin. "We show much openness as to our relations with Ukraine. We proceed from respect for independence and sovereignty and from the sincere feeling of friendship and respect that has been existed between the Russian and Ukrainian peoples from time immemorial."

Demurin said that the exchange of views by telephone and the forthcoming contacts during the CIS foreign ministers' meeting to open in Moscow Tuesday, will help to make concrete the steps which we must take to put our relations on a stable legal basis.

Ukrainian Foreign Minister Anatoly Zlenko said that work over a treaty with Russia has almost been completed. He also stated that in a telephone talk with Russian Foreign Minister Andrey Kozyrev on Monday that the two sides discussed the requests to quicken the pace of the document's development.

Zlenko told reporters in Kiev on Tuesday that Kozyrev agreed to meet halfway and to accelerate drafting of the treaty between Ukraine and Russia.

Gazprom Reports Ukraine, Belarus Gas Debts Mounting

LD2007085894 Moscow ITAR-TASS in English 0840 GMT 20 Jul 94

[Text] Moscow July 20 BUSINESS-TASS—Ukraine and Byelorussia [Belarus] continue to accumulate debts to Russia for the supplies of natural gas provided by Russia's Gazprom mammoth supplier. At present they owe Russia 2.28 trillion roubles and 636 billion roubles respectively, BUSINESS-TASS learned at Gazprom's central dispatcher service.

Nonetheless, Russia continues to provide 200 million cubic meters of natural gas daily to meet Ukraine's internal needs as planned.

A Gazprom official said the supplies of Russian gas to that republic will have to be increased soon since Turkmenia [Turkmenistan] is cutting its planned supplies because Ukraine has repeatedly failed to pay for the deliveries and new difficulties have arise in connection with Turkmenian gas transit via Uzbekistan and Kazakhstan. Ukraine is now accumulating daily from 30 to 40 million cubic meters of natural gas supplied by Russia (instead of the 60-70 million cubic meters provided a few years ago) in its underground storage facilities for use in winter.

The deliveries of fuel to Byelorussia are now below the norm—33.5 million tonnes a day. Gazprom experts believe that it is not advisable to increase the deliveries to the planned 35 million tonnes a day because, judging from experience, this would not increase the transit of Russian gas to other countries as desired. Byelorussia would rather step up the speed of accumulating its own reserves of natural gas, while doing little to improve the accuracy of payments.

BUSINESS-TASS has learned that the Gazprom leadership received the news of changes in the leadership of Ukraine and Byelorussia with reserved optimism. They expect, not without a reason, that the new leaders of the two republics will pursue a more consistent policy to bring the economies of the two countries closer together. Although Ukraine still lacks financial resources to pay for the Russian fuel, the two countries have a variety of forms of debt repayment to choose from, including the signing of intergovernmental agreements on gas, barter exchanges,

the setting up of a joint venture or the sale to gazprom of some Ukrainian installations in the gas industry.

As concerns the election of the first president in Byelorussia, Gazprom specialists say that as information about the new leader is still very scarce, they can only guess what changes might take place in economic relations between Russia and Byelorussia. But Russian experts believe that the Byelorussian president's position concerning the repayment of the republic's gas debts will soon be clarified.

Peacekeeping Commander in Tajikistan Wants More Troops

LD1907161494 Moscow ITAR-TASS World Service in Russian 1414 GMT 19 Jul 94

[By ITAR-TASS correspondent Vladimir Gondusov]

[Text] Moscow, 19 Jul—Colonel General Valeriy Patrikeyev, commander of the CIS collective peacekeeping forces in Tajikistan, believes these forces should have 16,000 servicemen. At present he has just 7,500 men and officers under his command, 90 percent of whom are from Russia. That is why, speaking today at a session of the CIS Council of Defense Ministers, the general appealed to the heads of defense ministries of Kazakhstan, Uzbekistan, and Kyrgyzstan to make a substantial increase in the numbers of those serving in these countries' units.

In Valeriy Patrikeyev's opinion, the peacekeeping forces need reinforcing because the situation in Tajikistan remains volatile and explosive. It is being destabilized by armed formations using "guerilla warfare methods" and terrorist acts in their fight against the Tajik Army and with local law enforcement bodies. Russian servicemen are also killed quite often by the combatants' fire and explosions.

The commander stressed that at this stage, in addition to guarding lines of communication and vital facilities, patrolling the area, and delivering humanitarian aid to the population, the CIS "Blue Helmets" are bearing the brunt of defending the Tajik-Afghan border. In the most dangerous sectors, in Pyandzh and Moskovskiy in particular, the 201st Division has managed to mount a defense in depth. The problem of reinforcing military groups in emergencies has been solved, and through this the reliable protection of the border and the safety of those protecting it has been ensured. Gen. Patrikeyev cited data showing that, between January and July, the number of attacks on border posts and attempts to break through the border fell by two-thirds compared with last year. However, he stressed that in Gornyy Badakhshan and Khorog, the number of attacks has increased. Border guards and "Blue Helmets" are unable to provide effective cover for these virtually inaccessible areas.

Armenian Agreement Signed on Protection of Citizens

LD1907205794 Moscow Radio Rossii Network in Russian 1700 GMT 19 Jul 94

[Text] An intergovernmental agreement on the reciprocal protection of the labor and social rights of Armenia's and Russia's citizens was signed in Yerevan today. Our correspondent Armen Dulyan reports:

[Dulyan] This document was signed in the Yerevan House of Receptions by Tatyana Regent, the head of the Federal Migration Service of the Russian Federation, and Ashot Yesayan, Armenia's labor and social security minister. In a conversation with me, the minister stressed that the agreement is of great importance to the Armenian side, inasmuch as, according to official data, some 110,000 Armenian citizens are now working in Russia. In turn, Russian specialists are working in Armenia, in particular a large group of staff members of the Kurchatov Institute has arrived to take part in work on de-mothballing the Armenian AES [nuclear electric power station].

At the same time, the draft of another bilateral agreement—on the protection of the rights of refugees and migrants—was also discussed in Yerevan. Both for Armenia and Russia this is a very topical document, after all, according to Tatyana Regent, there are now 570,000 refugees and about 1 million forced migrants in the Russian Federation with Armenians coming second among them regarding numbers. The Armenian side presented its proposals on this draft in Yerevan and its joint discussion will be continued 10 days from now in Moscow.

Armen Dulyan for the RROS News Service.

PRAVDA Comments on Kozyrev Address to Duma

MM2007083994 Moscow PRAVDA in Russian 19 Jul 94 p 1

[Report by Valentina Nikiforova: "Minister Appears to Deputies"]

[Text] On Friday an event occurred on Russia's political horizon. It has so far gone unnoticed by the broad public but it is important. On Friday it became definitively clear that Russia does not have... a foreign minister.

This happened at a State Duma session during "government hour." I admit that I regard it as a futile undertaking for deputies who have illusions that they will call the government to account. Nothing of the kind! After a similar report by V. Yerin and the Duma decision on his resignation, he is prospering to this day.

So last Friday Foreign Minister A. Kozyrev was invited. Incidentally, he is a Duma deputy but has only honored it with his presence on a few occasions. And indeed the minister-deputy is a special subject and we will talk about it another time. But this time we are talking about how Andrey Vladimirovich mounted the rostrum and said "Hi!"

Recalling the words of the diplomat Prince Aleksandr Gorchakov, "A great power does not proclaim itself, it asserts itself," he rapidly reported what is being done in Belorussia [Belarus] and Ukraine and told the deputies elections had been held there. There is a "trouble spot" in Tajikistan, there are peacemakers in Abkhazia, and in

Naples there was total victory, a group of eight was formed, and we could get up to $3 million....

Would that be all? No, he also rebuked Deputy V. Isakov for raising the question of the ratification of the treaty with NATO which he, Kozyrev, had signed.

"I cannot understand what he intends to ratify?" the minister said in surprise. "There are three documents. The first is an appeal from the heads of 16 states proposing cooperation, which they have called 'partnership for peace.' The second is the Foreign Ministry reply, on instructions from the president, that we treat the proposal with understanding and are prepared to discuss it. And the third is the protocol on the results of my visit to NATO. So Grachev and Rybkin went there before me. There is nothing secret about it. If we ratify all this then we will be treated like a banana republic...."

Say what you like, that would seem to be respectable. But they only had to ask how this cooperation could be expressed for the minister to answer:

"In the organization of peacekeeping actions."

Yes, NATO and peacekeeping—a new chapter in world diplomacy! Many of the planet's "trouble spots" should go down in it without fail as unforgettable examples of that organization's peacekeeping. But why did one person in the audience, a man with an excellent understanding of diplomacy, comment: "He has admitted his guilt, now for the excuses!" But Deputy N. Kharitonov was sincerely surprised: Russia has been driven out of the arms market, the military-industrial complex is being halted and destroyed, foreign goods are coming into Russia—and we must see this is a peacekeeping mission?

The minister was not embarrassed. He pleaded that this is a complex issue. "Let's discuss it somewhere," he said to the deputy in a pally tone.

One can understand that Friday is a hard day, people do not feel like international problems. But it turns out the foreign minister also has domestic problems. Deputy T. Astrakhankina read out a letter. In it a woman from the Tver Oblast city of Zubtsov is angry that "in a telegram Mr. Kozyrev used coarse language, referring to red-brown political mongrels.... How could that happen? I ask you on my behalf to examine this address at the committee for the protection of human rights and honor."

Well, the Duma rostrum is a suitable place for making excuses for all to hear, for denying slander, if there is slander. Tactfully and delicately. He is a diplomatic, after all. One wondered how A. Kozyrev would shine here.

And he flashed... his eyes. And he came out with such a tirade against the author of the letter and the deputy and so told off the two women that he became hoarse. He abused them for 10 minutes. And that was all. And the diplomat Kozyrev finished there. When "government hour" had ended I asked one deputy what he would like to ask A. Kozyrev.

"Not ask but suggest," the deputy specified. "That he resign. He is quite unable to 'hack it.' He could let the country down in a complex situation."

Yes, that is a quality which is far from negligible.

Canada Ensuring Envoy's Safety After Death Threats

LD2007100494 Moscow ITAR-TASS in English 0833 GMT 20 Jul 94

[By ITAR-TASS correspondent Nikolay Setunskiy]

[Text] Ottawa July 20 TASS—"We are taking all necessary measures to ensure safety of Ambassador Jeremy Kinsman," a Canadian Foreign Ministry spokesman said, replying to a quest by ITAR-TASS on Tuesday. He commented on a Canadian press news from Moscow which spoke of the threat to the life of the ambassador.

The news agency had quoted a report published in the Moscow English-language newspaper "THE MOSCOW TRIBUNE," according to which Canadian Ambassador to Russia Jeremy Kinsman was recently threatened with death, and this threat possibly came from a Mid-East terrorist group. The Western diplomat working in Moscow wished to remain unidentified, the agency said.

The threat, most probably, comes from an Azeri nationalist group, which says that there are at least two Azeri prisoners in Canada. However, it was not stated under what circumstances and for what charges the two Azeris turned out to be in a Canadian prison.

The Canadian Foreign Ministry spokesman told ITAR-TASS that Canada assesses the degree of the potential threat. For security considerations, the spokesman refused to comment on the character of the threat, its source, whether it comes from a terrorist group and if so, which one. He also refused to reveal what measures are being taken by the Canadian side.

Orenburg Residents Against U.S.-Russian Exercises

LD1907162394 Moscow Russian Television Network in Russian 1200 GMT 19 Jul 94

[Video report by correspondent A. Sladkov from Orenburg; from the "Vesti" newscast]

[Text] A group of deputies on the State Duma's Defense Commission, headed by Chairman Sergey Yushenkov, returned today from Orenburg. It has been looking at the possibility of holding joint Russian-American maneuvers at Totsk.

[Sladkov] The idea of Americans taking part in maneuvers with Russian peacekeepers near Orenburg has led to mixed reactions from the Russian public. Although the importance and usefulness of this political and military event is understood, there are misgivings in Orenburg that during the exercises new and dangerous types of weaponry might be tested. This happened at Totsk 40 years ago, when the

first Soviet atomic bomb was exploded. The people of Totsk realize that these are ordinary command and control exercises. Command functions will be tested in the main. Two companies, one Russia and one American, will just be playing out scenarios and will not do any damage to the environment.

[Unidentified woman] It doesn't affect our life here at all.

[Sladkov] While at Totsk, the deputies began to realize that it is not an environmental concern that lies at the heart of the opposition to the exercises.

[N. Bezborodov, deputy chairman of the Parliamentary Defense Commission, identified by screen caption] Holding exercises here has brought us up against a serious sociopolitical barrier today. Public opinion is not ready psychologically for these exercises. [Video shows gathering outside the Orenburg administration offices, protesters holding placards reading: "Yanks out of Russia;" "Where the GI goes, the rivers flow with blood"]

[Sladkov] The epicenter of resistance to the exercises is located hundreds of kilometers from the firing range, in Orenburg. The deputies met with the Orenburg administration, and also the local radical nationalists.

[First unidentified speaker] The German occupiers could not get this far. Now the Americans are coming. We will never accept NATO, never, anyone will tell you.

[Sladkov] The Duma deputies heard similar sentiments from the communists at a meeting with parties and movements in the town.

[Second unidentified speaker] Comrade Generals! I ask you, don't let the U.S. Army in!

[Sladkov] Deputies on the local legislature are also against the Americans coming. But supporters of the idea are in the majority.

[Third unidentified speaker] Any army has to hold training exercises. You will see. Are we supposed to hold a referendum?. Citizens, we need these exercises. They will go ahead, that is 100 percent certain.

NATO-Type Blocs Said Unable To Solve Ethnic Conflicts

LD1907172194 Moscow INTERFAX in English 1534 GMT 19 Jul 94

[From the "Diplomatic Panorama" feature: Reports by diplomatic correspondents Igor Porshnev, Vitaliy Trubetskoy, and others]

[Text] The problems of expanding NATO, signing the Partnership for Peace Program, and other military issues have quite unreasonably come to the fore in political discussions.

As the Russian Foreign Ministry's European Cooperation Department Yuriy Ushakov has declared in an interview with Interfax, no matter how important military matters are, they are not crucial to the situation today. "We are not going to attack anyone, nor do we have reasons to expect an attack against us," Ushakov explained.

He noted that the drastic change in the political situation in Europe has precipitated new crises. "Virtually all the armed conflicts in the world today are internal rather than international by nature, which is a far cry from what it used to be," Ushakov remarked.

In his words, this change necessitates a search for new effective ways to eliminate conflicts. He recalled that the major military alliances similar to NATO had been set up at a time of ideological and political confrontation to wage international wars. "However, they have proved virtually ineffective in dealing with ethnic conflicts," Ushakov said.

He emphasized that it was now far more important to perfect CSCE since it has proved an efficient body. "The problem of reforming CSCE and raising its effectiveness assumes in new conditions a special significance and takes priority in Russia's policy in Europe," Ushakov concluded.

Soskovets Meets Turkey's Premier, Foreign Minister

LD1907174894 Moscow ITAR-TASS World Service in Russian 1528 GMT 19 Jul 94

[By ITAR-TASS correspondents Oleg Velichko and Sergey Feokistov]

[Text] Ankara, 19 July—"Russia regards its relations with Turkey as a strategic partnership," Russia's First Vice Premier Oleg Soskovets stated today at a meeting with Turkey's Prime Minister Tansu Ciller. Soskovets considers that Russian-Turkish relations today mark a new stage of cooperation. "The Russian economy is becoming more accessible to foreign investments," he said. "Turkish businessmen should take advantage of the fact that the Russian market has already become a reality."

In her turn T. Ciller expressed great satisfaction with the results of the inter-governmental talks which have taken place, and with the growing Russian-Turkish cooperation in the industrial sector. Here, the prime minister laid particular stress on the importance of capital investments in the energy sector. She considers that joint investment of capital in CIS countries has good prospects. T. Ciller expressed a readiness to expand trade and economic relations between Moscow and Ankara, stressing in particular that she regards Russia as a friendly country.

T. Ciller invited Russian President Boris Yeltsin and Premier Viktor Chernomyrdin to pay an official visit to the Turkish Republic.

A meeting also took place today between O. Soskovets and Turkish Foreign Minister Hikmet Cetin. Russia's first vice premier pointed to the necessity for more dynamic development of Russian-Turkish links. "Real stability" in the region can be established only if there is cooperation between Turkey and Russia, he stressed. At the meeting,

there was also discussion of the situation in the Caucasus and of joint efforts to resolve the Armenian-Azerbaijani conflict.

Earlier in the Turkish capital, an accord was signed on Russian supplies of special equipment to Turkey in part payment of its debts, to the sum of $100 million, within the framework of the protocol which was signed on settling Moscow's debt to Ankara. An ITAR-TASS correspondent learned this today in a conversation with Viktor Samoylov, head of the state Rosvooruzheniye company.

Soskovets Meets With Turkish President Demirel

LD1907174294 Moscow ITAR-TASS in English 1707 GMT 19 Jul 94

[Text] Ankara July 19 ITAR-TASS—Turkish President Suleyman Demirel received Russian First Vice-Prime Minister Oleg Soskovets who is on an official visit to Turkey. The head of the Turkish Republic expressed satisfaction with the development of relations between the two countries.

The Turkish president stressed that cooperation between Russia and Turkey developed successfully. The turnover of trade between the two states has reached about two billion U.S. dollars. There are no obstacles for the development of political, economic, trade and cultural relations. It is time to develop industrial cooperation, Suleyman Demirel noted.

Oleg Soskovets, in his turn, said that talks held in Ankara were fruitful. During the meeting many problems have been discussed. The solution of the problem of Russian payment lays the basis for the development of mutual advantageous cooperation, the Russian first vice-prime minister noted. The Russian side expressed satisfaction with the Turkish position aimed at the development of active cooperation with Russia. The Russian Federation wants Turkey to see one of the closest of its trade-economic partners, Soskovets pointed out.

On Tuesday the Russian delegation left for Istanbul to take part in the work of russian-Turkish Business Council.

Russian First Vice-Prime Minister Oleg Soskovets is expected to leave for Moscow on July 20.

Cooperation Agreements Signed With Turkey

LD1907143794 Moscow Radio Rossii Network in Russian 1300 GMT 19 Jul 94

[Text] Russia and Turkey signed a series of agreements aimed at stepping up cooperation in various spheres today. These include a protocol under which Russia is to repay its debts to Turkey through supplies of military hardware and property. The two sides intend to develop cooperation in modernizing Russian sugar and cement works, enterprises producing baby food and milk powder, as well as light industry facilities. They noted the importance of the project to build oil and gas pipelines from Russia via Turkey to the Mediterranean. At the meeting between Oleg Soskovets, first vice prime minister and head of the Russian delegation, Mrs. Tansu Ciller, head of the Turkish Government, it was declared that Russia and Turkey regard each other as promising strategic partners.

Reporter Only Allowed To Photo 'Good Things' in DPRK

LD1907104794 Moscow ITAR-TASS in English 1027 GMT 19 Jul 94

[By ITAR-TASS correspondent Aleksandr Valiyev]

[Text] Pyongyang, July 19 (TASS)—The author of the following item was harshly criticised by angry North Koreans for his attempt to take pictures of Pyongyang's streets after Kim Il-song's funeral procession passed them.

It was very hot and stuffy and a lot of peddlers offered soft drinks to those who had come to bid their last farewell to the late leader. After the end of the funeral ceremony, the peddlers remained where they were and a lot of people came to them to quench their thirst. The reporter tried to photograph some scenes when two young Koreans addressed him in Russian. They asked him why he was doing it. The correspondent said he was a reporter. However, the young people were not satisfied with the answer. One of them said reporters were allowed to take photographs only in the presense of a Korean official. The other said that only "good things" were allowed to be photographed. However, he failed to answer why people drinking water were "a bad thing".

Meanwhile, some people, mainly women, approached to find out what was up. They were unanimous in assertion that only "good things" should be photographed and written about in North Korea. They said that, while the country is bidding the last farewell to the late leader, many foreigners fail to understand this and do as they wish, which is not always good for the Koreans.

The correspondent could do nothing but say that he understood everything and leave the site. However, he was bewildered. He had tried to take pictures of a tidy street and neatly dressed people drinking soft drinks in hot weather—why was it bad?

Presidential Adviser on World Peacekeeper Role

LD1807174094 Moscow Mayak Radio Network in Russian 1415 GMT 18 Jul 94

[Text] The ministers of defense and foreign affairs of the Commonwealth countries gather in Moscow tomorrow. One of the questions on the agenda is that of peacekeeping activities. Lidiya Podolnaya, our commentator, chose that theme for a conversation with Emil Pain, head of the Conflict Forecasting Department of the Socioanalytical Center under the president of Russia.

[Begin recording] [Podolnaya] In what hot spots in the former Soviet Union is Russia taking part in peacekeeping operations?

[Pain] There are five seats of major armed conflicts: That is the Dniester region conflict, the Abkhaz conflict, the

South Ossetia conflict, the Karabakh conflict, and the Tajik conflict. In some form or other Russian Armed Forces are present in all five of these, excluding Nagornyy Karabakh [Nagorno-Karabakh], at present. However, they only have peacekeeping status in Abkhazia and the Dniester region, and in Tajikistan they are operating as frontier troops as part of the Armed Forces under an agreement with Tajikistan and as an element of the multinational peacekeeping forces that have failed to be formed so far.

[Podolnaya] What is the reason—purely material—or are there also some hidden political reasons that hamper the creation of multinational forces?

[Pain] Material, first of all, because the expenses are huge and the states of the post-Soviet world are in the grip of a profound economic crisis, and Russia in this respect looks a little better. Second, (?it is difficult) to put you citizens at risk and to hear reproaches from the electorate. Therefore, many decisions that are being made at the level of heads of states are later not implemented. There is also the problem of international aid and the UN, the CSCE, and especially NATO that are now involved in peacekeeping and are behaving rather ambiguously toward Russia. Today, everybody recognizes that no other force on the territory of post-Soviet space could avert the outbreak of armed conflicts apart from Russia, but that recognition is not expressed in political support and even less in material support from international organizations. Certain objections are being put forward connected with the charter of the international peacekeeping forces that forbid the deployment of foreign troops on the territory of neighboring states, and that is very important. But I want to reiterate that everybody acknowledges that there is no other solution, but take a rather hypocritical stand.

[Podolnaya] That is to say, they are not making any official counterproposals?

[Pain] No, no counterproposals at all.

[Podolnaya] In which of all the five hot spots on the territory of the former Soviet Union are operations most successful?

[Pain] There is no war in the Dniester region.

[Podolnaya] Russian troops are like a deterrent over there now?

[Pain] Correct. There is no war in South Ossetia, and there is a peacekeeping contingent there, too. The largest number of peacekeepers is in Abkhazia now, they are disengaging Georgian and Abkhazian troops. This is the most efficient operation. For the first time, both sides of the conflict regard the introduction of peacekeeping forces as a condition for stabilization and an end to the war. The deployment of forces has proved so efficient that there is little or no risk of serious outbreaks in the area of the separation of troops. Perhaps this introduction of forces will become a turning point in normalizing relations.

[Podolnaya] From everything you have said, a conclusion can be drawn to the effect that, after all, the participation of Russian troops in peacekeeping operations has been quite successful. Are there problems?

[Pain] First, there is no Russian law covering the use of Armed Forces for peacekeeping goals. Second, there is no clear system of political civil control over the activities of peacekeeping forces. Third, there are problems with violations of the principle of neutrality. [end recording]

Chernomyrdin on Foreign Investment Prospects

MM20070925°4 Moscow RABOCHAYA TRIBUNA in Russian 19 Jul 94 pp 1, 2

[Interview with Viktor Chernomyrdin, chairman of the Russian Federation Government, by Vladimir Lagovskiy; date and place not given: "Investment in the Air"]

[Text] The very end of June saw an event which international observers adjudged—for a variety of reasons—to be unique. Our top state officials met with the "big fish" of Western business, those people who are already investing or are capable of investing large amounts of capital in the Russian economy. The next meeting is due in November.

The dialogue was, in the common opinion of the participants, open and committed. And it was possible for perhaps the first time to switch from mere declarations to the actual tackling of specific problems. And on the whole the question asked was as follows: How do you create a favorable investment climate in Russia? Our conversation was also devoted to that topic.

[Lagovskiy] Viktor Stepanovich, it was noted during past meetings that a qualitatively new structure—the Russian Government's Consultative Council for Foreign Investments—had come into being. The leaders of the biggest Western firms, each with an annual turnover running from tens to hundreds of billions of dollars [as published], have become part of it. Respectable company to keep. You, your deputy Shokhin, and the first deputy chairman [as published] of the Ministry of the Economy, Urinson, will coordinate the work. No such "symbiosis" actually existed before. How effective will it prove?

[Chernomyrdin] The Council is already operating. Moreover, it has been resolved to make it a standing organ and have it hold sessions at least twice a year. It is very important for us now that a structure representing the "organized interest" of major foreign investors should have emerged. And those investors understand perfectly well that the active involvement of all Council members in its work will guarantee the implementation of the necessary changes.

[Lagovskiy] What have you already promised potential investors?

[Chernomyrdin] Promises do not interest anyone today. We have set up three working parties in the Council. They will put accords already achieved into practice and will put forward and implement initiatives designed to make the Russian economy as attractive as possible to investment—both domestic and foreign.

In my view, a good boost was notably given to this venture during the conversation between leaders of firms and President Boris Yeltsin. I would not describe this as a promise, but the dialogue which took place does seem to have enhanced confidence in the seriousness of each other's intentions. Figuratively speaking, the express train of foreign investment has been given the green light.

[Lagovskiy] We have to ensure that investors do not prove color blind. They are very timid, after all. And clearly not without reason. Firms would like to earn a profit here, but would not wish to lose their profit along with their investments.

[Chernomyrdin] Correct. But something else must also be realized: The very fact of the present meeting, its venue, and its timing indicate that we have on the whole created a positive background for business activity by foreign countries. I am thinking here of the financial recovery and the stability and predictability of policy. And this is a very important precondition for the security, liquidity, and profitability of capital. In short, given that the meeting has taken place, our partners clearly consider that not everything in our country is so bad. Despite the fact that the mass media have endeavored of late to fashion a negative, intimidating image of Russia.

[Lagovskiy] Were there many disputes at the meeting? Or active rejection of certain views?

[Chernomyrdin] We agreed on almost the whole range of questions broached. I will tell you even that our Western partners, assisted by the Ernst & Young company, prepared a document with a detailed list of investors' problems in readiness for the meeting. A large number of the proposals contained within it coincide with our government's plan of "measures to boost the attraction of foreign investment into the Russian economy."

[Lagovskiy] The Russian side has consequently been well aware of the problems of foreign investors?

[Chernomyrdin] Not aware enough. Both sides must have an absolutely precise and clear idea of all the obstacles to be overcome. We are not, after all, talking simply about exchanging opinions. We will have to tackle practical questions together, including improving legislation, altering the tax system, and establishing economic and legal bases which provide investors with incentives. That indeed is what the Council has been set up to do.

Here is one example of its work. The Russian Government has asked Council members to submit written comments and proposals on the laws on land, ownership, foreign investment, underwriting, and taxation. Every Council member described his company's activity in Russia, the difficulties, the potential, and the planned and actual investment. They did not feel abashed here and described all the obstacles encountered. Russian statutory regulations came under special fire. They criticized their vagueness and the inconsistency of their application. They spoke about the lack of coordinated action between federal and local authorities and other "harmful excesses." Almost everything said was correct.

Dialogue was pretty frank. In return Council members also learned a lot. And at first hand. They learned about our customs policy, the securities market, and Central Bank financial policy. We briefed firms on the industrial sectors which will be opened by the government for 100-percent participation by foreign capital and the ones which will have restrictions placed on them. And the ones which will be completely closed to foreign investment. How shares controlled by the State Committee for the Management of State Property will be sold. How concessions on investment in particularly large and risky projects will be determined.

[Lagovskiy] Were specific projects considered?

[Chernomyrdin] Yes, the participants in the discussion were offered several projects in the sphere of infrastructure of interest to the Russian Government. There was discussion, in particular, of toll highways from Moscow to the western border via Brest, and from Moscow to the northern border via St. Petersburg, with the development of gas stations, restaurants, hotels, and camp sites. There are projects to modernize the international airports in Moscow, St. Petersburg, Novosibirsk, Khabarovsk, Omsk, Yekaterinburg, Irkutsk, Krasnodar, Sochi, and Vladivostok.

[Lagovskiy] Viktor Stepanovich, working parties have been set up in the Council. What problems, in brief, should they be tackling in the immediate future?

[Chernomyrdin] It is essential to have an appropriate organ in Russia to act as arbiter in cases of differing interpretations of tax legislation by local authorities. I think the working parties could start studying typical conflicts without delay.

Practical questions of taxation constitute an important topic. Switching from taxing income to taxing profit is a major task here.

I think that our privatization will also be of interest. Particularly the new, "investment" stage. Few people are aware that there are now virtually no restrictions on foreign investors. They all belong to the past.

Management, marketing, and production organization in general make up another block of questions. Our interests coincide in this field, but we have only just begun to cultivate it. Council members stated that they are ready to set up engineering [inzhiniringovyy] centers and work actively in cadre training, including training intended for small and medium businesses. The working parties are to make the necessary recommendations on this.

[Lagovskiy] Have sectors been designated for priority investment?

[Chernomyrdin] I would not want to establish any kind of pecking order now. We have many projects in all sectors. The main problem to resolve today is making the investment mechanism work. We have gathered together, directed our thinking, and conferred to that end.

[Lagovskiy] How do you rate the present level of foreign investment in the Russian economy?

[Chernomyrdin] I will use a comparison to make it clear. Direct foreign investment in the world comes to approximately $100 billion per year. Russia accounts for only $2.5 to $2.7 billion of that. That is a pathetic sum. The optimal level of investment, in my view, is $10-15 billion per year. Russia is on the whole ready for that.

In this context I am very impressed by the standpoint of Mr. Percy Barnevik, president and executive general director of the ABB [Asea Brown Boveri] corporation. If you wait until stability and predictability come about in Russia of their own accord, you could lose time. You could wait so long that the "window of opportunity" eventually slams shut. **After all, a favorable milieu for investment is created by, among other things, actual investment.**

[Lagovskiy] Is the legislators' attitude to the Council's activity known?

[Chernomyrdin] Our legislators are minded to support the government initiative. I am sure that this will make a good contribution to the shaping of a new image of Russia.

Volskiy on State Regulation, Renewed Union

MM1907135194 Moscow PRAVDA in Russian 15 Jul 94 pp 1, 2

[Interview with Arkadiy Volskiy, president of the Russian Industrial Union, by Aleksandr Chernyak: "It Was Not The Soviet Union That Collapsed, It Was Russia"]

[Text] A paradoxical situation has taken shape in the Russian economy. Some believe that the worst is over, the production decline has been halted, and the long-awaited stabilization is on the way. There are others who claim, on the contrary, that we have not yet hit bottom, that there is much worse to come. What is your view? This was the first question our correspondent put to Arkadiy Volskiy, president of the Russian Industrial Union.

[Volskiy] Production has fallen by nearly half over the past two years. I am not counting the tenths and hundredths of a percent, but the fact remains that the slump in production has reached 50 percent. This has hit such sectors as machine building, defense, and the chemical complex particularly badly. There has been a very noticeable decline in the agrarian sector.

In my view, our economy has reached a most dangerous, critical period. In every respect. Following the wholesale decline in production we could actually see the start of technological disintegration. That is where chaos begins.

There can be no question of any stabilization at the moment, although the country's leaders would very much like to see it and have been going on about it nonstop for a year now. But, I repeat, there is nothing that even looks like production stabilization at the moment.

[Chernyak] So the process is gathering momentum in the opposition direction....

[Volskiy] It ought to be established what is meant by the idea of "stabilization." If it is a reduction in the rate of decline, I believe that it is unacceptable. Stabilization means a total halt to the decline. And that is not in the offing. Moreover, I do not foresee its happening in the second half of this year either.

I very much fear that our expert institute has miscalculated the possible consequences of the reduction in transport shipments. Transport could prove to be the link in the technological disintegration or, rather, in the technological chain reaction that paralyzes the entire country. Because of its poor technical condition at the moment, we have been forced to reduce axle loads. So each freight car will be carrying eight tonnes less. Track wear and tear has reached 25-30 percent. There is a shortage of locomotives and freight cars. And the ones that we do have are pretty badly worn, so you would not want to push them too hard. So the biggest economic losses will be caused by transportation.

[Chernyak] On the other hand, the railroad has set exorbitant rates. All the economic enterprises are squealing about it....

[Volskiy] I agree, the rates are unacceptably high. But are the railroad people the only guilty parties? If you start to unravel the ball, you find the thread stretches to the power workers and beyond. Transport prices will depend on prices of electricity, coal, fuel oil.... At any rate, it is transport paralysis that I, personally, fear most of all. If it happens, entire sectors will come to a halt and life will come to a standstill in cities big and small and in villages and hamlets....

I am also very worried about the Russian chemical industry, particularly the reduction in output and the increase in prices of mineral fertilizers. In recent years farmers have put hardly any mineral fertilizers on the land. And it was not very fertile anyway. Where can we expect the harvest to come from now? Unless we rectify matters over the next two-three years and at least keep at the level we have reached, the soil will be exhausted, so we will be left without bread, milk, meat....

So the situation is dire. If we fail to take any steps today we will face collapse.

You may object and say that I am scaremongering, that I am overdramatizing the situation. Some academics cite the fact that after the revolution we were producing at a level that was 24 percent of the 1913 level and still survived. I believe we will survive now. But at what cost! I want the cost to be less for the people, since there are already those who are paying with their lives. Every effort must be made—and this is primarily the task of our union—to make the cost of this survival less.

[Chernyak] How can this be done?

[Volskiy] I believe that we must exploit our postwar experience. As you will recall, at that time a plan was devised to revive the economy. This is what is essential today. Unfortunately, our proposals in this sphere have not met with support either from the government or the

president. Actually, after the war we managed to revive the ravaged eocnomy in three years, reach the prewar level, and then considerably exceed it. What is absolutely essential today as far as the economy is concerned is emergency measures.

[Chernyak] What do you mean by emergency measures?

[Volskiy] First of all, the restoration of indicative planning and state control of available resources—financial, material, and labor—for a period of time; I am not saying for good.

[Chernyak] This concept of emergency measures puts some people off.

[Volskiy] Fine, call it something else. The terminology is not important. But it is clear that transition to the market is impossible without state regulation. Many economists and some pragmatists in the government now realize this, but, unfortunately, they are not taking effective steps.

I think that sooner or later we will have to resort to state regulation of prices. I know that the market romantics—on the left and on the right—are allergic to this view of mine, to put it mildly. They make strident claims that Volskiy is proposing state control of prices and that that is a retrograde step. But I believe that we must have this for a limited range of goods. And this tallies with the transitional period experience of Japan, Germany, and other countries.

There must be control of medicines, for example. If a diabetic cannot buy insulin, because of the exorbitant price, he will simply die. A maximum price must be fixed for drugs and other essential items, which cannot be exceeded but which can be subsidized. High food prices have already upset the biological nutrition regime. An increasing number of people are wasting away.

I certainly do not want price controls on Mercedes. Let them be sold at any price you like. But things that millions of people cannot do without must be under the control of the people who call themselves the government. Government, after all, means directing and steering, not drifting with the wind. I would like the government to govern.

[Chernyak] But we all have to face unpredictable elements.... The unpredictability of the market. The unpredictable nature of the crime wave. Millions of people are now unemployed and people have had no pay for months. Social tension is on the increase....

[Volskiy] Unfortunately so. I have said many times, in PRAVDA among other places, that we must not allow any bloodshed. So we must do something to prevent it. I have seen a great deal of bloodshed in Karabakh and I know what it is like. I repeat, we must avoid it. At the moment not every effort is being made by any means. We have presented the government with a package of proposals on getting the country out of the crisis. We await its reply.

I am profoundly convinced that Russia's revival is impossible without the creation of a new Union, as is the prosperity of the former Soviet republics, now independent states. I said it in Kiev, but it was not unequivocally acknowledged. Nonetheless, I will say it again now: In 1991 it was not the Soviet Union that collapsed, it was Russia. Russia, which had taken centuries to assemble, build, and strengthen. Many people did not like my words: They started attacking me in the Russian and Ukrainian press, but I am not going back on what I said.

I repeat, it was not the USSR that collapsed, it was Russia. Russians had lived with Ukraine for centuries, not for 70 years. The same with Georgia, Belorussia [Belarus].... This must be recognized. We lived for hundreds of years as a family and worked at the same factory, as it were. A small break in any chain of economic relations immediately makes itself felt, affecting everyone equally. Gaydar's thoughtless statement to the effect that the republics were like weights attached to Russia's feet was simply a dangerous thing to say. When we still had the State Planning Committee, we could talk about subsidies for individual Union republics. But we do not have it any more. We pay one another for products. Objectively Russia has lost markets with the rupture of economic links. And it would be very sad if it were to lose them forever. After all, Russia accounts for a large part of the trade turnover in the former republics. And vice versa. Take Ukraine: It used to send 42 percent of its products to Russia. Russia used to export 53 percent of its products to Ukraine. Now all this has come to a stop. Who gains?

[Chernyak] Everyone loses....

[Volskiy] Precisely. It is senseless. For example, Ukraine is no longer buying our ZIL and GAZ vehicles. Yet ZIL used to produce 212,000 trucks. More than 100,000 people used to work at the association. This year ZIL will produce only 40,000 trucks. It is a disaster! The plant first went over to a four-day working week, then to a three-day week, and then it stopped altogether. Ukraine had ordered 25,000 fewer vehicles. I do not know how it will manage without them, because they are the main carriers of agricultural products. The situation is the same in the case of combines, none of which has left Russia. We cannot live without one another today. It is impossible!

L. Kuchma, for example, was absolutely right when he said in answer to the question: "How do you see Ukraine's period of independence?": "I see it as a period that has demonstrated our complete mutual dependence." He is right. I am prepared to endorse those words.

In my view, the time has come to stop talking about the former Soviet Union. We must talk about the future Union.

[Chernyak] Not only talk, but act to create it.

[Volskiy] We are acting already. Incidentally, I had the idea of reviving the Union a long time ago, then suddenly SOVETSKAYA ROSSIYA wrote, I don't know why, that one of the people who would make Russia capitalist, Arkadiy Volskiy, was at last advocating the revival of the USSR. That is dishonest. I have been saying it since 1991.

I have never advocated making Russia capitalist, and I have always favored retaining the union of fraternal peoples.

Indeed, we are not only talking, we are acting. Agreements have been signed on the establishment of an economic union with industrialists and commodity producers in Ukraine, Belorussia, Kazakhstan, Uzbekistan and Kyrgyzstan. Governments are not involved at the moment. I regret this. I am sincere about this, but what can you do if the governments are deaf to our entreaties. We are learning and teaching people how to deceive governments. The democratic press is certainly going to latch on to my words, but I am not afraid and I say publicly: For the sake of the cause and for the sake of the people we will deceive governments. One method is as follows: A Russian plant will pay here for deliveries of articles from Ukraine, and a Ukrainian plant will do the same. This has to be done because the exchange rate does not exist, although it is supposed to. Paying in dollar equivalent distorts the true value. Leonid Kuchma and I made appeals to the governments and parliaments, actually stating that collapse was inevitable unless there was economic union.

[Chernyak] Now Leonid Kuchma is president and he has a real chance to implement the appeal.

[Volskiy] Yes, I sincerely congratulate Leonid Danilovich. I believe that he is a man who can do a great deal to stabilize the state of affairs in Ukraine. I congratulate Alyaksandr Lukshenka too—the first Belorussian president.

After the creation of the economic union certain political steps will be needed. Bodies of legislation will have to be brought into line, customs will have to be abolished and borders opened up. This is essential. What good is the fact that Russia is now number one in the world in terms of the number of customs officers! There are now 35,000. America has 14,000.

The former republics are holding on to their sovereignty. I am not against this, but I am against economic sovereignty. It does not exist anywhere else in the world. I am tired of saying this, but Europe used our experience when it got together. Jacques Delors once told me: "We used your experience of the transfer ruble by introducing the transfer unit, the European Currency Unit, in the European Community." While we messed it all up.

[Chernyak] And arrived at the dollar. It is all-powerful now in Russia and the other former union republics, even though the dollar rate is falling abruptly in all other countries of the world.

[Volskiy] Well, some people are not fond of the word "ruble," so let us call it the tenga or whatever, but it must be a transferable unit. And there has been no political decision on this as yet.

For some reason, what is in my view a very important event has passed the press by—a Council of Ministers has been created in the Baltic countries. They are getting together. The press has ignored this fact for some reason. Why: Is it dangerous for certain people? I would not want us to create a Council of Ministers right away, but sooner or later we will get there, we will definitely get there. Nursultan Nazarbayev was absolutely right: Supranational structures must be created. Sooner or later we will revive our Union. And the first step is economic union.

Political Issues

Yeltsin Resumes Work in Kremlin

LD2007080194 Moscow ITAR-TASS in English 0706 GMT 20 Jul 94

[By ITAR-TASS correspondent Anna Melnikova]

[Text] Moscow July 20 TASS—Russian President Boris Yeltsin on Wednesday resumed work in the Kremlin after a brief spell of cold that kept him working in the out-of-town residence.

The press service of the president told ITAR-TASS that his working day in the Kremlin began as usual on Wednesday.

Last Friday the head of state had to miss the government meeting because of the cold in the head, but the minor ailment did not affect the president's other plans. On Saturday, Yeltsin is expected to attend the opening of the Goodwill Games in St. Petersburg.

Filatov Says Opposition Preparing 'Second Offensive'

LD2007054894 Moscow ITAR-TASS in English 0525 GMT 20 Jul 94

[Text] Moscow July 20 ITAR-TASS—The opposition forces in Russia are preparing for their second offensive in autumn after their first one failed when they tried to disrupt the signing of the civic peace accord in May, the presidential chief of staff, Sergey Filatov said in an interview with Ostankino Televisions' First Channel on Tuesday night.

The opposition forces usually brace up for action in autumn months when the economic situation gets worse because of the shortage of budget resources, he said. "But we are keeping an eye on their activity the only countermeasure against which is the deepening of reforms, not only economic but also political, state reforms in line with the constitution of the Russian Federation adopted last year," Filatov said.

Everything now is conducive to strengthen not confrontation but constructive, reconciliatory steps aimed at overcoming current difficulties. "Society will be unable to develop" in conditions of confrontations between the branches of power, he said.

Filatov praised the State Duma for preparing a sizable package of new bills for autumn. The package includes programmes of reforming power institutions and a switch to local self-government. According to him, the switch will be far from easy because it requires more financing and more new personnel.

As concerns the elections of new presidents in Ukraine and Byelorussia [Belarus], the presidential chief of staff said the developments inspire hope for further rapprochement of these republic's positions, above all as far as the economic space is concerned.

Aide Unaware of Government Resignation Request

LD1907145194 Moscow INTERFAX in English 1355 GMT 19 Jul 94

[Text] A journalist put the following question to one of President Yeltsin's aides Georgy Satarov: "Do you know whether the Russian Security Council's Secretary has sent to the head of state a memorandum with a request to make the government led by Victor Chernomyrdin resign?" Satarov answered that he had no knowledge of such a document.

Interfax's special correspondent Boris Grishenko Tuesday asked the Security Council's Secretary Oleg Lobov to clarify the situation. Here is what Lobov said in an exclusive interview:

"It seems to me that the appearance of such unfounded rumors is not accidental. The opposition to the president, to the government, and to the course of reform is a motley group. It resorts to any means to disrupt the political and social consolidation that has got underway in society. Speculations about notes with such content is one of the links in this chain.

To my mind, such rumors have come from those who have not signed the Civic Accord Pact or have signed it with much reluctance. Naturally, the presidential aide knew nothing about a non-existent document and could not know."

Speaking about the council's attitude toward the Russian Cabinet, Lobov said that whatever the Security Council did, it sought to assist the Russian government. This is reflected in the Security Council's efforts to restore calm in the country so essential for the reforms, being carried out by Chernomyrdin and his Cabinet. Obviously, some concrete proposals of the Council do not correspond to work by separate cabinet members. However, this has nothing to do with demands for Cabinet resignation."

Lobov then recalled that he had taken part in an enlarged Cabinet session on July 15, when the results of government's work over the first six months were summed up. Expressing his view on work by Chernomyrdin and his aides, Lobov declared: "Russia's government has been working in extremely complex conditions left over from the past rather than created by the Cabinet itself. However, despite all these complexities, a trend towards the better is well in sight. I believe that everyone who wishes success to reform, and who wants a better life for the people of Russia should help Chernomyrdin's Cabinet rather than fence it in. I declare with utter responsibility that such is the position of the Security Council's Secretary."

Communist Party Leader Says Support Growing

LD2007081494 Moscow ITAR-TASS in English 0803 GMT 20 Jul 94

[By ITAR-TASS correspondent Nikolay Styazhkin]

[Text] Stavropol July 20 TASS—The leader of the Russian Communist Party and its State Duma faction, Gennadiy

Zyuganov declared today that popular support for his party's position in the Federal Assembly (parliament) of Russia was growing.

Zyuganov was summing up the results of his three-day tour of the Stavropol territory in southern Russia at a press conference before departure for Moscow.

As an argument in favour of his statement, Zyuganov pointed to the number of people who had gathered to attend the events announced as part of his itinerary.

Gennadiy Zyuganov met the leaders of the territorial Duma (legislative assembly) and administration, visited some industrial enterprises, collective and state farms, and addressed meetings of the public and intellectuals.

According to Zyuganov, a congress of the peoples of the former Soviet Union would convene in September to discuss a conceptual framework for a gradual, non-violent correction of the situation which emerged after the proclamation of the break-up of the Soviet Union and the establishment of the Commonwealth of Independent States.

Zyuganov said that that move was tantamount to a tragedy, and called for the restoration of ties between work collectives on the entire territory of the former Soviet Union as a real path towards reunification which is desired by the majority of people in the former Soviet republics.

More on All-Russia Communist Parties Conference

MM1907121194 Moscow PRAVDA in Russian 19 Jul 94 p 2

[Report by Feliks Belelyubskiy: "Is Path to Unity a Long One?"]

[Text] Unification trends are expanding and strengthening in the communist movement. One manifestation was the All-Russia Interparty Conference of Communists held 16-17 on the capital's quiet Vishnevaya Street.

But the auditorium was not quiet. Naturally. Here activists of six communist parties and movements—the Russian Communist Workers Party [RCWP], the "League of Communists," the Russian Party of Communists [RPC], the All-Union Communist Party of Bolsheviks, the Moscow City CPSU organization, and the Russian Federation Communist Party's Leninist faction. The mandate commission accepted the powers of the 199 delegates who came from the majority of regions. They voted virtually unanimously for the creation of a Union of Communist Parties of Russia (Roskomsoyuz) and adopted its charter. Roskomsoyuz' regularly operating organ will be the Coordinating Council of the Union of Communist Parties (Roskomsovet).

The communists' parties and associations belonging to Roskomsoyuz (members of Roskomsoyuz) will as before be completely independent in their activity and will keep their own charters and policy documents. But they undertake to fulfill decisions agreed with their like-minded fellows (Roskomsoyuz members) to attain common goals.

I shall cite my talk with Anatoliy Kryuchkov (chairman of the Russian Party of Communists Central Executive Committee), who was one of the conference organizers.

"We recall the correctness of Lenin's provisions that before uniting we must be completely divided," he said to me a week ago. "But we are holding the conference for unification, not for separation."

The subject of unity was indeed the main one. The years of defeat have gradually taught the Communists of the new generation to listen to each other's voices and most important to seek to understand the thrust of the changes taking place in the country. Boris Slavin, member of the Russian Federation Communist Party Central Executive Committee, called for this:

"We cannot unite on some dogma taken individually, whether it is the assessment of the CPSU or of any individual period of our history. We can unite only on the basis of a real struggle for the scientifically substantiated interests of the laboring majority."

They have decided not to hurry. Let there be Roskomsoyuz for a start—a transitional form for the Communists' cooperation.

Peasant Party's Chernichenko Remains Chairman

MK1907100094 Moscow KURANTY in Russian 19 Jul 94 p 4

[Report by Vladimir Nazarov under the "Scandal" rubric: "About Chernichenko, Bast Shoes, and the Press"]

[Excerpts] It is perhaps in order to make life in Russia not so dull and devoid of spice that they dish out to us from time to time scandals implicating well-known folks. Now it's the turn of Yuriy Chernichenko, an author, politician, and chairman of the Peasants Party of Russia [PPR].

KOMSOMOLSKAYA PRAVDA, in a story "Chernichenko Robbed of his Bast Shoes. But not the Rubber Stamp!" related about the PPR congress deposing its chairman and electing Nikolay Shatokhin, a resident of Tver, as its leader. It also said Chernichenko would not surrender the rubber stamp to the new boss.

Frankly speaking, the story is no heart wrencher, nor does it make you cry in despair, nor does it threaten the country any adversities. None the less, the PPR is a party of farmers, people who, given certain support from the state, would be able to feed the country. It is a party fighting for private ownership of land. As for the change of leader, it may amount to a change of course to the joy of the agricultural generals. Which is why I hastened to find out from Chernichenko in person.

[Nazarov] Yuriy Dmitriyevich, I don't know what to do: express my sympathies or offer you congratulations?

[Chernichenko] I can be relieved of my PPR chairmanship duties only by the congress. When it has been held and I am either reelected or voted down, then would there be cause for sympathies or congratulations....

[Nazarov] What about the....?

[Chernichenko] Simple. Expelled from the party for splitting activity, Shatokhin and friends called together several like minds and announced the gathering of an extraordinary congress. They made all manner of decisions that have no legal power. [passage omitted]

[Nazarov] Yuriy Dmitriyevich, what is the PPR today?

[Chernichenko] The party has been in existence for three years, and has 20,000 members united in 45 regional organizations. This is a farmers organization, hence it cannot be massive. It also includes well-known scholars, and just sympathizers with the farmers' idea: for example Rimma Kazakova, a poetess; Zinoviy Gerdt, an actor; Anatoliy Bezuglov, a well-known jurist and author....

[Nazarov] Did the small membership of the party prevent you from scoring decent results in the elections?

[Chernichenko] We were running together with "Russia's Choice," whose program is the closest to our own, and I went through to the Federation Council of the Russian Federation. Incidentally, we have many deputies in the regional Dumas where the PPR's positions are strong. For example in Kaliningrad Oblast. We are far from being a Cinderella.

MVD Reports Successes in Struggle Against Crime

MM1907152994 Moscow ROSSIYSKAYA GAZETA in Russian 16 Jul 94 First Edition p 3

[Report by Russian MVD Public Relations Center: "MVD: Month's Statistics"]

[Text] One month ago Russian Federation President Boris Yeltsin signed the edict "On Urgent Measures to Protect the Population from Banditry and Other Manifestations of Organized Crime." What has the Russian Federation MVD [Ministry of Internal Affairs] done during this time?

Instructions on its practical implementation have been sent to the provinces jointly with the General Prosecutor's Office and the Federal Counterintelligence Service. The regions and cities which the Russian MVD has placed under special control in connection with the increased incidence of crime there and the growth in the instances of banditry and other manifestations of organized crime have been defined. They include Dagestan, Ingushetia, North Ossetia, and the cities of Moscow, St. Petersburg, Kazan, Yekaterinburg, Kemerovo, Vladivostok, Mineralnyye Vody, and others. The personnel of internal affairs organs in these regions are being switched to an intensified version of service.

In Moscow 29 members of six criminal groupings specializing in selling weapons for bandit formations were detained. A group of six criminals who had committed four murders was arrested, and a large number of weapons was confiscated. An attempt by the chairman of the board of the "Moscow Trade Bank" and two accomplices to steal, convert, and send abroad 18 billion rubles was stopped.

Dozens of active members of organized criminal groupings—from Odintsovo, Yegoryevsk, and Orekhovo-Zuyevo—have recently been detained in Moscow Oblast. Two particularly dangerous criminals have been exposed and arrested for committing five contract killings in Moscow and Novokuznetsk.

During the month that the edict has been in force subunits of the Russian MVD Organized Crime Service alone have exposed 162 grave crimes committed by members of organized criminal groups. Precisely 137 criminal cases have been instituted against them, in whose examination 440 suspects have been established. Of these, 128 have been detained for 30 days. Charges have been laid against 142 members of organized criminal groups, including seven for membership of a gang.

Precisely 41 leaders of the criminal fraternity have been arrested. Fifteen criminal cases have been sent to court, including one of banditry. Precisely 34 persons are involved in criminal cases which have been sent to court, including five for banditry.

Economic Issues

Yeltsin To Order Further Privatization Soon

LD1907173594 Moscow INTERFAX in English 1610 GMT 19 Jul 94

[Text] Russian Prime Minister Viktor Chernomyrdin says there are two ways of implementing the cabinet-approved plan for post-voucher privatization: the adoption of an appropriate law by the State Duma or a relevant presidential decree until the parliament takes a resolution to this end.

Speaking at a full government meeting on Tuesday, he said the second option would be a forced one.

He said that despite its hard work, the parliament's capacity was far below the volume of vital legislation facing it and there was nothing wrong if many of these were put in place by presidential decrees.

The prime minister made it clear his government would not backtrack on its cooperation with the Duma. He proposed that a conciliatory commission of legislators and cabinet members be set up or the mechanism of the Civic Accord resorted to.

The program will be enforced by a presidential decree in the next few days come what may, Chernomyrdin said.

The prime minister said the regions would have a leading role in the second stage of privatization which he described as the frontline of reforms.

'Closed' Towns Seek Government Funding

LD1907224694 Moscow ITAR-TASS World Service in Russian 1454 GMT 19 Jul 94

[By ITAR-TASS correspondent Anna Bakina]

[Text] Moscow, 19 Jul—The safety of especially dangerous production installations and facilities located in closed administrative and territorial formations is being lowered at a menacing rate. The participants in parliamentary hearings "The Problems of Closed Towns," that took place today came to this conclusion.

Experts think that the reason for the increasing danger is first and foremost the insufficient financing for the main production facilities and scientific research work. As a result the equipment operating in crucial sectors is not being renewed and updated. The infrastructure formed over decades is disintegrating. All this puts the life of the more than 2 million residents of the 35 closed administrative and territorial formations under threat. Of these, 10 belong to the Atomic Energy Ministry, 24 to the Defense Ministry, and one to the state committee for the defense industry. Scientists fear that this tendency will become watershed beyond which the catastrophic processes of a global scale, similar to the Chernobyl disaster, may become uncontrollable.

To have an effect on the situation, the participants in the hearing decided to submit a number of documents aimed at settling the legal, territorial, and social issues to the State Duma committees and to the Russian Government. Thus, the Defense Ministry proposes speeding up the adoption of the Law "on federal land" where it is indicated that lands handed over for the deployment of military units are federal ones. Besides, as was the case when the servicemen of the missile troops demanded that foodstuffs supplies should be improved immediately or they would not go out on military duty, the military think it is necessary to resolve the issue of credit on beneficial terms for purchases of foodstuffs.

In the package of documents, there is yet another draft federal law on guarantees for financing especially dangerous radiation and nuclear production installations and facilities. In particular the need has been recognized for financing with obligatory advanced payments within the bounds of 40 percent of the annual volume of budget assignations.

Nor should one forget the "human factor." Now in the event of the draft decision being signed by the government, those working in closed administrative and territorial formations will be paid a 20 percent supplement over and above their wages. But citizens living in closed administative and territorial formations are to receive a monthly allowance worth 50 percent of the minimum monthly wage. Besides, all the residents and members of staff of a closed administrative and territorial formation will be insured by the sectoral insurance fund for emergency situations.

Interior Ministry Concerned With Money Laundering

LD1907165294 Moscow INTERFAX in English 1355 GMT 19 Jul 94

[Text] Russia may become a major money laundering center, acting head of the department for economic crimes, Mikhail Serdyuk said Tuesday at a briefing in the Russian Interior Ministry.

Serdyuk said that the cash privatization program in Russia may draw foreign illegal capital to Russia, including drug money. Russian legislation makes no mention of money laundering and investors are not restricted in their investment activities, he pointed out.

The Interior Ministry said it is time for Russia to consider joining the Strasbourg Convention. Specific legislation must be introduced to clarify who must file income statements.

The ministry said, out of $11.5 billion sold at the Moscow Interbank Currency Exchange, at least one-third was acquired by commercial banks using funds acquired by clients with forged documents. In addition, a large portion of the 3.6 trillion rubles in outstanding loans is used virtually free of charge in the interests of criminal groups.

In 1993, 4258 banking-related crimes were exposed and 429 criminal groups were disbanded. As much as 200 billion rubles was confiscated from commercial banks accounts. Law enforcement bodies have opened 95 criminal cases related to financial wrong-doing in the banking sphere since the beginning of 1994.

Urges Fight Against Money Laundering

MK2007113094 Moscow SEGODNYA in Russian 20 Jul 94 p 2

[Report by Aleksandr Barinov under the "Rule of Law" rubric: "Militia Recommends To Join Money-Laundering Convention. Russia Threatened by an Avalanche of 'Narcodollars From Cocaine Cartels'"]

[Text] Internal Affairs Ministry chiefs think that Russia has been running the risk of turning into "a world testing range for money laundering." Mr. Serdyuk, acting chief of the Internal Affairs Ministry Administration for the Struggle Against Economic Crimes, said that "uncontrolled privatization has brought about a situation where in the near future narcodollars from cocaine cartels and so forth may flow into the country, disguised as investment." The administration has sent a letter to the government requesting that Russia join the so-called Strasbourg Convention on laundering illicit money. In addition, it has drawn up a number of draft laws on amending criminal legislation that entail responsibility for illicit banking activity, money laundering, and so forth.

A number of sources have reported that Russia's unwillingness to join the convention stems from the fact that many fully respectable enterprises, including those from the defense sector, already depend on "dirty money" flows

and could go bankrupt if the source is cut off. Russia has never defined in legal terms what "money laundering" is, nor has it created a mechanism for exposing it.

"The monetary area remains most attractive for criminals and is one of the most criminalized sectors of the Russian economy," Mr. Serdyuk said yesterday. The most widespread incidents of fraud include falsified advice notes, "Rossiya" checks, non-repayment of loans, etc. According to official statistics alone, in the last two years criminal structures tried to embezzle at least 3-4 trillion rubles. A major part of this money has been "laundered" and reinvested. The Economic Crimes Administration estimates that out of the $11.5 billion sold on the Moscow Interbank Currency Exchange, at least one-third was bought by commercial banks with money stolen by their customers via falsified documents.

Mr. Serdyuk said that his administration has so far been unable fully to close the channels of embezzling government money. However, in his words, the Economic Crimes Administration, the Finance Ministry, the Central Bank, and the Association of Russian Banks have managed to settle their differences; moreover, the Association's member banks have made their operations more "transparent" for law-enforcement agencies. After that, "the situation has become amenable to control." The administration is also inclined to credit the current downturn in inflation partly to its own efforts.

Military Issues

Border Troop Readiness Set at 80 Percent

LD1907193694 Moscow Ostankino Television First Channel Network in Russian 1700 GMT 19 Jul 94

[Report by correspondent Irina Mishina, including recorded passage with Andrey Nikolayev, commander in chief of Russian border troops; from the "Novosti" newscast]

[Text] The concept of a great power is impossible without the ability to uphold one's strategic interests. Russia's borders should be inviolable throughout their length. This thought was voiced at Russia's Security Council with the participation of the president. At the time Boris Yeltsin said: We have no superfluous land.

Today, at the main command of Russia's border troops, journalists were told how our borders are specifically being strengthened. We do not have sufficient resources to be strong everywhere. These were the words of Nikolayev, the commander-in-chief of Russia's border troops. The strength of the border troops is only at 80 percent. About three billion rubles are required to carry out work on the borders. Border problems which are not formulated by any treaties exist today on the maritime border with the United State and Japan, and there is a demarcation of disputed sectors with China. There are territorial claims by Estonia against Russia. Acute questions are being tackled with Latvia and Lithuania. Incidentally, work on designating the borders with the Baltic countries as state borders is now proceeding at full speed. Russian border guards are serving in the republics of the former union: Kyrgyzstan, Armenia, Georgia, and Tajikistan.

[Nikolayev] Tajikistan is undoubtedly the most complex sector of the state border where Russian border guards are protecting their troops. Over the past six months border guards have clashed on 129 occasions with people crossing the border. This border is not the border of one state, it is the border of all the states of the commonwealth, and if there is a violation on this border, all the other borders are half-open.

[Mishina] What is the main thing which guides you today?

[Nikolayev] Russia's interests.

Defense Official Rejects NATO Military Standards

MM1907132994 Moscow NOVAYA YEZHEDNEVNAYA GAZETA in Russian 16 Jul 94 p 2

[RIA report: "Russia Should Not Be Measured By NATO Standards"]

[Text] Introducing standards accepted in the NATO countries into the Russian defense industry would require such colossal appropriations that the ruin of the country would be inevitable, Gennadiy Voronin, chairman of the Russian Federation State Committee for the Defense Sectors of Industry, believes.

Gennadiy Voronin headed the delegation of Russian defense-sector officials at the international seminar "East-West: Partnership for Peace" organized by a British private firm in Brussels, in which defense industry representatives from many East European countries took part.

"Western companies working in the arms sphere are now trying to make people think that NATO standards should be introduced everywhere—not only in arms production but also in command and control and the organization of air-defense systems," Gennadiy Voronin said. "We are in favor of partnership with NATO, but not to the detriment of our own national interests."

Gromov: Serious Cutbacks To Effect Pacific Fleet

LD1907122994 Moscow INTERFAX in English 1019 GMT 19 Jul 94

[Text] Russia's Pacific Fleet will be seriously trimmed, Commander of the Russian Navy Felix Gromov told a press conference in Vladivostok after an inspection trip to Kamchatka and the Maritime Territory.

He said cuts would affect, in the first place, outdated ships. Only the ships which meet present-day standards and are capable of fulfilling tasks near the coast and in the ocean, will be kept, he said.

He also announced that a new commander of the Pacific Fleet would be appointed soon. He did not say, however, which candidates are being considered by the Defense Ministry and the president.

Northern Fleet Exercises Under Way

LD1907123194 Moscow INTERFAX in English 1105 GMT 19 Jul 94

[Text] Over 10 warships and five submarines as well as warplanes are taking part in the exercises of the North Navy in the Barents Sea. The exercises are led by Fleet Commander, Admiral Oleg Yerofeyev, INTERFAX was told by a spokesman for the Russian Navy.

Russian President, Supreme Commander, Boris Yeltsin is likely to take part in one of the stages. If he does, the submarine Taifun, when underwater, will launch ballistic missiles. In addition, cruise missiles Moskit are planned to hit on-ground targets from a destroyer.

Taking part in the exercises is aircraft-carrier Admiral Kuznetsov. Su-27K planes will have test flights, will search out and "hit" the "enemy". A Marines battalion and armored vehicles will land on Rybachy Peninsula.

The spokesman said that several warships of the NATO Navy, including British frigate Sheffield are now in the Barents Sea.

The exercises which started on July 18 will end on July 23.

Tactical Exercises Under Way in Barents Sea

LD1907191594 Moscow ITAR-TASS World Service in Russian 1345 GMT 19 Jul 94

[By ITAR-TASS correspondent Vadim Byrkin]

[Text] Moscow, 19 Jul—The aim of the complex operational-tactical-level exercises held in the Barents Sea waters is to test the combat readiness of the Russian strategic Navy forces. As the ITAR-TASS correspondent was told today at the press center of the Russian Navy forces, the exercise involves 10 surface vessels, submarines [number not specified], 15 planes and helicopters, and more than two thousand servicemen. North Fleet Commander Admiral Oleg Yerofeyev leads the exercises which will last until 23 July.

Aside from the surface-to-air target practice, the following will be carried out during the exercises: involve search and destruction of imaginary enemy submarines, repelling missile and air assaults, and landing marines and armed equipment at the Rybachiy peninsula.

According to some information, it was noted that the British Navy frigate Sheffield, which apart from being heavily armed, has radio-electronic combat equipment and radio-electronic and optical surveillance equipment on board, has been monitoring the exercises in the proximity to the Russian territorial waters accompanied by the large fleet tanker Olna. In addition, a Norwegian navy presence has been observed.

Duma Official Argues Army Needs More Staffing, Funds

LD1907194294 Moscow INTERFAX in English 1816 GMT 19 Jul 94

[Text] One cannot speak of reforming the Russian Armed Forces before they are staffed at least 70 or 80% of capacity and properly financed. This opinion was expressed in a Tuesday interview with Interfax by the chairman of the Duma defense committee Sergey Yushenkov who attended parliamentary hearings on army reform.

It was said that at the moment the army is only at 57% of full strength. Its minimal financial needs are 55 trillion rubles while the federal defense budget is 40.6 trillion.

According to Yushenkov, the first step in the reform should be the reduction of the term of compulsory army service from 18 months to one year as well as the shortening of the list of reasons for exemption from conscription. There are now 20 such reasons on the list. Over 70% of young people—900,000 persons of conscription age—are freed from army service, 700,000 of them are college and university students.

Yushenkov also thinks that without an urgent solution of the question of staffing and financing an outburst in the armed forces is inevitable in the near future.

Kokoshin Chairs Conference on Future Navy Development

MM2007094994 Moscow KRASNAYA ZVEZDA in Russian 19 Jul 94 p 1

["Own Information" report: "New Ideas Needed. This Idea Was Topic of St. Petersburg Conference"]

[Text] At a time of the most severe restrictions and cuts in defense spending, the Russian Navy, like other branches of the Armed Forces, is in a very difficult position. Imbalances in the development of the Navy, which arose even at a time when larger amounts of funds were being allocated to it, are having an increasing impact. In connection with the different parameters from those previously forecast for the country's economic development in accordance with the instructions of Army General Pavel Grachev, Russian Federation defense minister, it has been necessary to amend the tasks facing the Russian Navy. All the previously elaborated naval development programs need major alteration and, for a number of parameters, radical revision.

This problem was discussed in detail at the 15 July conference chaired by Andrey Kokoshin, Russian Federation first deputy defense minister, at the Admiral N.G. Kuznetsov Naval Academy in St. Petersburg. Leading academics from the Naval Academy and naval central scientific research institutes took part in it.

As Andrey Kokoshin stressed in his speech, original new ideas are now needed more than ever in order to ensure the survival of the most valuable core of the Navy and in order

to lay the foundations for the future, when Russia's economy will make it possible to embark on the implementation of new projects.

These problems cannot be solved without extensively involving naval officers themselves, the Navy public, and everyone who values the Russian Navy in this process. The most sober consideration will be required for our actual potential and requirements, along with harmonious, cohesive work, and genuine rather than sham love of the Navy and the Armed Forces.

Reports on the outlook for the Navy were delivered by Doctors of Science Rear Admirals Igor Zakharov and Vladimir Martynenko, chiefs of leading naval scientific research institutions, and by Admiral Vitaliy Ivanov, chief of the Naval Academy.

Colonel General Anatoliy Sitnov, Russian Federation Armed Forces chief of armaments, stressed the need for the greatest possible cooperation and unification between designers of naval weapons systems and representatives of other branches of the Armed Forces, taking all the specific features of naval service into account.

The conference also analyzed proposals to develop the Navy submitted by specialists from the State Committee for the Defense Sectors of Industry, and leaders of scientific research institutes and Russian shipbuilding industry design bureaus which had been put forward at a previous similar conference. It was held a month earlier on the basis of leading industrial institutes. The next stage is to synthesize these proposals and elaborate a unified line on naval development between the Defense Ministry and industry with the submission of corresponding proposals to the country's state leadership.

Admiral Igor Kasatonov, first deputy commander in chief of the Navy, and Vice Admiral Valeriy Grishanov, deputy commander in chief of the Navy for armaments, took part in the conference.

In the course of his visit to Leningrad Military District and Leningrad Naval Base 14-16 July, the first deputy defense minister visited the St. Petersburg Suvorov College, the Missile and Artillery Military College, the Nakhimov College, and the "Severnyy Zavod" defense enterprise. Vice Adm. V. Grishanov chaired a conference aboard the heavy nuclear-powered missile cruiser Petr Velikiy, which is being completed at the "Baltiyskiy Zavod" Joint-Stock Company, on the problems relating to the completion of work on this ship and its coming sea trials.

State Arms Company Reports Half-Year Trading Results

MM2007093794 Moscow KRASNAYA ZVEZDA in Russian 19 Jul 94 p 1

[Report by "Rosvooruzheniye" State Company Press Service: "'Rosvooruzheniye' Learns To Trade"]

[Text] Moscow—The "Rosvooruzheniye" State Company has summed up the results of the first half-year of its existence. The meeting was chaired by Lieutenant General Viktor Samoylov, general director of the state company.

The results are hopeful—the "Rosvooruzheniye" State Company has already signed contracts worth more than $1.5 billion. With support from the federal budget, it can be hoped that the military output volumes planned in 1994 will be higher than current levels.

Federal Assembly

Zhirinovskiy Considers Alliance With 'Russian Path'

MK1907094094 Moscow SEGODNYA in Russian 19 Jul 94 p 2

[Report by Gleb Cherkasov under the "Unity" rubric: "Coalition Talks Begin in State Duma. Zhirinovskiy Proposes a Barter Deal to Baburin"]

[Text] Leaders of the Liberal Democratic Party of Russia [LDPR] faction under Zhirinovskiy and Vengerovskiy and a delegation of the Russian Path group under Baburin held talks yesterday. The talks focused on a search for options of possible cooperation between the LDPR and the Russian Path. Recognizing the similarity of views and intentions of the two deputy groups, Baburin, Vengerovskiy, and Zhirinovskiy proceeded to discuss urgent problems. After Sergey Baburin complained about the difficulties of being an unregistered group (at present the Russian Path includes 14 State Duma members, whereas at least 35 members are required for registration) and reproached the Communist Party faction for impeding registration of the "patriots" faction, Zhirinovskiy and Vengerovskiy were swift to offer Baburin their assistance.

The plan outlined by Zhirinovskiy boils down to the following. A group of LDPR faction members apply for Russian Path membership, without leaving their own faction, thus helping it obtain registration. According to Zhirinovskiy's concept, in response, the Russian Path will provide the LDPR "moral support." Once the Russian Path gets access to privileges to which registered groups are entitled (premises, staffers on the official payroll, and a seat on the State Duma Council), the LDPR and the Russian Path will set up an alliance modeled on the CDU/CSU coalition in the German Bundestag. To prop up the agreement, Zhirinovskiy invited Russian Path deputies to take part in pleasure trips organized by the LDPR so as "to learn more about each other, to get to know each other, and to become acquainted with each other." In the LDPR leader's view, the coalition would attract State Duma members from other factions, although, in his words, the future alliance's personnel reserve is concentrated primarily within the Democratic Party of Russia and the New Regional Policy [NRP] factions. Baburin thanked Zhirinovskiy, noting that all Russian Path deputies should decide on the substance of the proposal.

At the same time, leaders of the NRP and Party for Russian Unity and Accord [PRES] factions decided to start talks, a practical result of which would be the creation

of a mechanism for coordinating the factions' stances on key issues. It is fairly unlikely, however, that the talks would end in a merger between the NRP and the PRES.

Duma Discusses Funding for Nuclear Sites

LD1907210294 Moscow Russian Television Network in Russian 1900 GMT 19 Jul 94

[From the "Vesti" newscast]

[Text] The problem of closed towns is becoming dangerous. This alarming conclusion has been reached by deputies at parliamentary hearings at the State Duma. The consequences of the chronic poverty of nuclear plants might be unpredictable. Taking into account the fact that generally these plants were built back in 1950s when no one could even think in terms of current safety requirements, the absence of money today for necessary safety equipment, as well as safe storage of nuclear materials makes one think hard about the problem.

Furthermore, food supplies in closed towns leave much to be desired. There were instances of missile troops servicemen threatening to withdraw from combat duty unless this problem was resolved. Regular delays in paying wages are creating a prestrike atmosphere. Innocent people who have spent years on building the country's nuclear shield have been punished. The need to adopt a law on state financing for dangerous nuclear sites is obvious. It is strange that one always has to recall the consequences of the Chernobyl disaster in an attempt to prove that money for these plants must be provided in full.

Privatization Debate Produces 'Paradoxical Situation'

MM1807143594 Moscow ROSSIYSKAYA GAZETA in Russian 16 Jul 94 First Edition pp 1, 2

[Article by Iosif Galperin under the "In the Federal Assembly" rubric: "Will the Irreconcilable Be Reconciled? Why the Program for the Second Stage of Privatization Was Not Adopted"]

[Text] The discussion in committees and factions of A. Chubays' report, which dragged on for a week, took the form of a coreport by S. Burkov, chairman of the Duma Privatization Committee, and an entire working day of speeches by representatives of all parliamentary trends. As a result, not a single resolution picked up the necessary majority of votes, and the draft law on the start of the second stage of privatization was returned to the economic committees.

A paradoxical situation has taken shape: While criticizing the progress and results of the first stage, parliamentarians, by not adopting any decision or law, are giving the Goskomimushchestvo [State Committee for the Management of State Property] a free hand to continue the former policy and are prompting the president to interfere in the legislative sphere by means of his edict.

In striving to elevate its new program to the rank of a law, the Goskomimushchestvo in turn is seeking to obtain an indulgence for the first stage, to maintain continuity at the second stage, and to defer an investigation into the progress of privatization until this progress has become irreversible. Incidentally, the program as submitted does not have a deadline, in other words it is valid "forever" and does not provide for the government, or the Goskomimushchestvo in particular, to report back to the legislators.

But the main criticism was not leveled at these features of the program. The majority of those who spoke in the debate no longer cast doubt on the actual need for privatization, although words were heard about "pilfering" and about the voucher's "social deception," as well as the immortal Panikovskiy's appeals to "share out everything fairly." Such closing of ranks is the best evidence that the planned revolution in ownership has taken place. But where real ideological, political, or lobbyist interests were concerned, there was a serious dispute. Who will determine, and how, the efficiency and the starting price of the enterprises to be privatized? What share will the working people themselves be able to secure? What will the local and municipal authorities be able to decide, and what the federal law?

In general, the draft law is vulnerable on certain points. For example, in delimiting powers with the regions, it argues even with the Constitution, precipitates changes in health care and education, and attempts to determine in advance the purport of laws on joint-stock companies, on securities, on state and municipal enterprises, and on the management of federal property. The new program wants to "stake out" the sale of enterprises' land plots when the land code has not yet been adopted.

As expected, the program's most implacable opponent was G. Zyuganov, leader of the Communists' faction. He demanded a report by the government and not by Goskomimushchestvo, "emergency measures to stabilize the economy," and an open debate with Chubays on Central Television. The factions of the agrarians and the Liberal Democratic Party of Russia are close to the Communists' position. They all frightened the government with analogies with the election results in Ukraine and Belorussia [Belarus].

The Democratic Party, "Russia's Choice," "Yabloko," "New Regional Policy," and the Party of Russian Unity and Accord mainly supported the program, albeit with criticisms. True, "Russia's Choice" proposed adopting the law as a whole, without any amendments.

In some respects G. Yavlinskiy also supported his democratic allies. He numbered among the pluses of the first stage the removal of enterprises from direct state control, their increasing activeness, and the beginnings of the stock market. But he also presented the government liberals with a fundamental claim: Stable property relations do not exist, and without this there will be no inflow of investments.

On the whole, the range of the deputies' attitude to the program may be broken down in terms of determination. Some propose that it is possible first to write good laws, having researched the actual situation and defined society's goals, and only then to lead law-abiding citizens toward these goals. The other extreme is beloved of Lenin: "Let us be drawn into combat, and then see." But the first instance is close to the effect of a centipede which has not found a theoretical explanation for the consistency of its actions and has come to a standstill, and the second to the Bolsheviks' successes. Between them lie the technocrats and systems experts, the pragmatical production specialists, the idealistic theoreticians....

But all together they cannot adopt the law.

Duma Factions' Stance on Privatization Law Viewed

MM1907123594 Moscow ROSSIYSKIYE VESTI in Russian 15 Jul 94 p 6

[Article by Pavel Anokhin: "Duma Delays Adoption of Program"]

[Text] The draft federal law "On the Adoption of the State Program for the Privatization of State and Municipal Enterprises in the Russian Federation After 1 July 1994" was discussed at a plenary sitting of the State Duma 13 July. Deputies' factions had elaborated their positions in advance, and, naturally, their response was not long in coming. Travkin's men from the Democratic Party of Russia called upon their supporters to back the draft law and complained about the excessive monopolization of matters of privatization by the State Committee for the Management of State Property. The Party of Russian Unity and Accord believes that the program is flawed because some of the legal norms in it refer back to various already adopted laws, edicts, and ordinances, thus giving the power structures an opportunity to change the rules of the game as they see fit. They are insisting on putting basic direct-action legal norms into the draft law. They are putting a condition on their support for the program: Its effect should be extended only to federal property, and should exclude municipal property; the sale of vacant plots of land should also be excluded; the rights of participation by banks in privatization should be specified more precisely.

The Liberal Democratic Party of Russia faction sharply rejected the draft law, assessing the first phase of privatization as a failure. Deputies from the Communist faction came out in unison with Zhirinivskiy's lot, calling on their supporters not only to reject the draft law itself, but also to dismiss Anatoliy Chubays. On behalf of the faction, Gennadiy Zyuganov demanded that the government should report back on the results of the first phase of privatization and the extraordinary measures aimed at stabilizing the economy. The agrarian deputies also condemned the privatization program. In their opinion, the adoption of a decision should be postponed until October.

The "New Regional Policy" faction supported the privatization program on the whole, but made its support conditional on the adoption of amendments which boil down to providing for privatization not only with cash, but also by leasing them [sentence as published], and changing the method of calculating the value of property being privatized. The "Women of Russia" are linking the adoption of the draft law with the need to conduct an inventory of the check phase of privatization and with the adoption of laws "On Land," "On Securities," and "On the Civil Code."

The "Russia's Choice" faction supported the draft law unequivocally, assessing that privatization has already been concluded in Russia, and that it has become irreversible. According to "Russia's Choice," this draft law shows the continuity of all the previous reform policy and makes it possible to move on to the structural restructuring of the economy. Deputies from the "12 December" liberal-democratic union also intend to support the draft law. According to them, financial-economic levers have already clearly come into operation and "private capital now contains major state capital." In the event of the draft law not being adopted, they believe, the State Duma will practically alienate itself from the privatization process.

According to experts, with such a disposition of forces, the adoption of the draft law in question is unlikely. And in that case it is possible that an edict of President Boris Yeltsin will be adopted, which will determine the course of subsequent privatization.

After the State Duma deputies had again postponed the question of the adoption of the state program for the privatization of Russian Federation state and municipal enterprises after 1 July 1994, Anatoliy Chubays, deputy chairman of the government, stated that "it is now the Russian president's turn."

An edict of the Russian president on continuing the privatization program will be signed: This is a question of millions of people who should be able to obtain some kind of rules on privatization questions, Anatoliy Chubays stated in an interview with a BIZNESS-TASS correspondent. He reported that he intends to meet with Boris Yeltsin in order to determine the timing of the signing of the edict on continuing the privatization.

Duma Given Deadline To Decide on Privatization

MK2007090094 Moscow NEZAVISIMAYA GAZETA in Russian 20 Jul 94 p 1

[Unattributed report under the "In Brief" rubric: "State Duma Given a Chance"]

[Text] A presidential law putting into action the state program for post-voucher privatization cannot be signed by Boris Yeltsin before this Friday, 22 July. This was announced on 19 July by Anatoliy Chubays, chairman of the State Committee for the Administration of State Property. In his words, the president "deemed it possible to give the State Duma yet one more chance until the end of this

week to discuss and pass in first reading the draft privatization program submitted to the lower chamber by the government." The vice premier, however, does not expect "the Duma to make any positive decision in this regard."

Positions of Duma Aide, Travkin Said Threatened

MM1907133594 Moscow KOMSOMOLSKAYA PRAVDA in Russian 19 Jul 94 p 1

[Report by Stas Stremidlovskiy: "Ripping Out the Grass by the Roots"]

[Text] Despite the summer mood and the debilitating heat this week, as informed sources have told KOMSOMOLSKAYA PRAVDA, more intrigues are being hatched in the State Duma. For example, the interested parties have already virtually decided on the removal from office of Konstantin Zatulin, chairman of the Duma's Committee for CIS Affairs.

It turns out that many deputies do not like the way that Zatulin is running one of the Duma's important committees. Representatives of various factions—Vladimir Isakov (Agrarian Party), Aleksandr Vengerovskiy (Liberal Democratic Party of Russia), and Vladimir Bauer (Russia's Choice)—believe that the Committee for CIS Affairs has no line whatsoever. And Yekaterina Lakhova, leader of the Women of Russia faction, has noted that Konstantin Zatulin's political vacillation prompt her to gloomy thoughts about the committee chairman's professional suitability.

But strange as it may seem, the idea of removing Konstantin Fedorovich from the chairmanship was initiated by deputies from the Party of Russian Unity and Accord (where Zatulin hails from) elected in single-seat districts.

Changes in the leadership are also expected in the Democratic Party of the Russian Federation [DPR] faction. Nikolay Travkin, leader of the faction and member of the Russian Federation Cabinet of Ministers, who is unhappy with the clearly oppositionist stance of DPR deputies toward the government, has decided to seriously investigate them as a whole and Sergey Glazyev, the faction's number two man, in particular. However, the faction members who support Glazyev believe with good reason that it will be far easier for them to remove Travkin himself. The "showdown" with Ilich, as my informed sources are saying, is set for the end of this week.

Duma Hears Criticism of Government's Arab Policy

LD1907163294 Moscow ITAR-TASS in English 1410 GMT 19 Jul 94

[By ITAR-TASS diplomatic correspondent Yuriy Tyssovskiy]

[Text] Moscow July 19 TASS—"Both sides have the desire but practical results are still few," Aleksandr Dzasokhov, a member of the State Duma's Committee on International Affairs, told ITAR-TASS about the state of relations between Russia and the Arab countries.

This understanding underlay today's hearings in parliament about Russian-Arab relations, their problems and prospects.

The hearings were organised by the Committee for Economic Policy and the Committee on International Affairs of the Russian parliament's lower house. The ambassadors of Arab countries, scholars and journalists were invited to attend.

The audience was told that economic relations with the Arab world are on the decline at present.

In the eighties, it accounted for one-third of the Soviet Union's turnover and to at least one-fifth of its technical and economic assistance to foreign countries, or five to seven billion roubles per annum. The Arab countries purchased up to fifty percent of all Soviet machine tools and other machinery exported to developing countries. By the middle of 1991, the Arab states ran a debt to the Soviet Union amounting to about 30 billion U.S. dollars. These figures evoke nostalgic feelings at present. The same applies to arms sales—from 1973 to 1989, the Soviet Union earned more than 70 billion dollars from arms sales to Arab countries.

Now Russia is suffering immense losses amounting to tens of billions of dollars from its participation in international sanctions against Iraq and Libya, the gathering was told. "Our country can no longer afford participation in such sanctions," Duma Deputy Vasiliy Lipitskiy said, and blasted the Russian Government for taking no steps towards easing the sanctions. He stressed that the State Duma intends to exercise pressure on the government in forming Moscow's foreign policy. "If the government overlooks something of concern for the country's national interests in the most important directions, we shall demand necessary corrections," he said. Lipitskiy admitted though, that as far as Russia's overall policy in the Near East is concerned, it has lately shown some signs of heightened activity.

Speakers in the hearings said that with regard to the debts, Russia is ready to show necessary flexibility: It offers partners a variety of ways of debt repayment to avoid doing harm to the debtor countries. As concerns the U.N. sanctions against Iraq and Libya which the Russian Federation supports, Vladimir Gudev, first deputy chief of the Russian Foreign Ministry's Middle East and North African Department, stressed that "this problem must not be viewed in isolation from the overall political context in which the objects of sanctions found themselves".

Gudev also said that there are no legal obstacles to the payment of Libya's debts to Russia, but there are political obstacles to the move".

As regards Iraq, the Russian Foreign Ministry's position is as follows: Baghdad is actively cooperating with the U.N. Security Council as concerns the disarmament aspects and is meeting many demands of the world community, he

said. In this connection it is necessary for the U.N. Security Council to react adequately to these changes in Iraq's policy.

A spokesman for the Saudi Arabia embassy, Muhammad al-Kakhtan, criticised the indecision of all branches of power in Russia with regard to providing guarantees of conditions for Arab capitals in the Russian Federation, including vagueness of relevant legislation. He was particularly critical of the Russian bureaucracy and bribe-taking foreign business people encounter in its structures.

Participants in the hearings worked out a number of specific recommendations aiming to stabilise Russian-Arab cooperation in the field of economic, trade and investment relations.

This was the first time that the hearings of this kind, the fourth in two years, were praised by both Russian and Arab participants.

Russian-Arab cooperation will next be discussed at a major conference in Cairo, which will be held there under the aegis of President Husni Mubarak of Egypt in October. All those polled by ITAR-TASS in the State Duma expressed confidence that a decisive headway will be made at the Cairo conference.

Duma CIS Committee Chairman Urged To Resign

MK2007093094 Moscow NEZAVISIMAYA GAZETA in Russian 20 Jul 94 p 2

[Unattributed report in the "In Brief" column]

[Text] Moscow—As NEZAVISIMAYA GAZETA's correspondent has learned from various Duma sources, CIS Affairs Committee Chairman Konstantin Zatulin is faced with the unpleasant prospect of losing his post in the very near future. According to a number of Duma figures, the conduct of a correct policy with respect to the Commonwealth countries in the deputies collective—the views of whose members range from the demand to restore the Union to the understanding that "the genie cannot be put back into the bottle"—calls for professionalism and a flexible political line. In the present CIS Affairs Committee led by Zatulin such a line, in the opinion of deputies Vladimir Bauer (Russia's Choice), Aleksandr Vengerovskiy (Liberal Democratic Party of Russia), and Vladimir Isakov (Agrarian Party of Russia) is absent—more reminiscent, according to deputy Igor Muravyev (New Regional Policy), of a "dotted line." Therefore it is highly likely that the deputies' discontent with Zatulin's activity will shortly lead to the demand for his resignation from the post of committee chairman, the need for which is already being highlighted by independent deputies who have affiliated with the Party for Russian Unity and Accord faction.

Committee Asked To Approve Regulation of Agriculture

MK2007091094 Moscow SEGODNYA in Russian 20 Jul 94 p 2

[Report by Yelena Kolokoltseva under the "Market" rubric: "Agrarians Demand That Finance Ministry be Disciplined. Ministry of Agriculture Prepares Draft Law on State Regulation of Agriculture"]

[Text] Addressing an enlarged meeting of the State Duma Committee on Agriculture Questions, Agriculture Minister Viktor Khlystun urged the deputies to approve the draft law on state regulation of agriculture drawn up by his ministry. In the words of Mr. Khlystun, the draft law "does not counteract the market mechanism," while it is expected to "support state regulation of interest rates of centralized agro-industrial complex credits" and a "proportionate distribution of shares in the retail price" between producers, processors, and traders in order to "rectify the situation where peasants are getting as little as 10 percent of their grain's retail price."

Speaking about "regulation of interest rates," Mr. Khlystun did not mention the fact that the agrarians are getting credits at a preferential refunding rate of 70 percent and are not returning the credits even at this price. The minister also preferred not to expand on the debatable proposition about the possibility of a synthesis between the market mechanism and "proportionate distribution of shares," because "distribution" in Russian economic parlance does not mean anything else but going back to fixed prices of agricultural produce on the home market.

The minister's comrades in arms fighting to save Russian agriculture from the horrors of a market-based economy did not prefer to prevaricate, however. With the directness of a peasant, Mr. Nazarchuk, chairman of the agricultural committee, stated that it is necessary to establish "fixed purchasing prices of grain" of 200,000-220,000 rubles per tonne; demanded that the hapless agro- industrial complex be repaid debts for the first six months, and that funds be made available in the second six months; and urged the president and the premier to discipline the Finance Ministry, which cut back agriculture spending. That settled the issue. The resolution that was passed contains, in addition to the above demands, a proposal to transfer the distribution of investments to "agro-industrial complex construction projects and territories" from the Economy Ministry to the Agriculture Ministry.

Regional Affairs

Chechen Officials Arrest Russians for Carrying Arms

LD1907173694 Moscow INTERFAX in English 1610 GMT 19 Jul 94

[text] A total of seven Russian citizens were arrested by the Chechen Interior Ministry and the State Security Department near prison #3 in Naur Region of Chechnya at night on July 17. The Russian citizens were armed with a light machine-gun, grenades and other weapons.

The Chechen Foreign Ministry told Interfax that the terrorist group was headed by a certain Balayev who had the documents of a permanent representative of Ingushetia under the Russian president given to him in Moscow.

The Chechen Foreign Ministry said referring to the information of the investigating bodies the arrested group of Russian citizens had been planning an attack against the prison in order to free imprisoned members of the recently eliminated group of Ruslan Labazanov.

The Chechen Foreign Ministry circulated a statement saying that the participation of Russian citizens in preparations for a large provocation against the Chechen Republic proved that the provocation had been conceived with the consent of Russian special services.

Representative of the Russian Federal Counterintelligence Service's Center for Public Relations told Interfax that he categorically refuted the charges.

Regional Chiefs Reject Local Self-Government Draft Law

MK1907092094 Moscow SEGODNYA in Russian 19 Jul 94 p 3

[Report by Gleb Cherkasov under the "Criticism" rubric: "Zemstvo Authorities Dissatisfied With Draft Law on Regional Self-Government. Heads of Administrations Side With Them"]

[Text] The draft law "On General Principles of the Organization of Local Self-Government in the Russian Federation," sent back by the Council of Ministers presidium for fine tuning, met with mixed reaction both from members of the public and political movements and the heads of administrations of a number of Russian Federation oblasts. For example, a letter signed by Yelena Panina, chairman of the Russian Zemstvo Movement; the heads of the administrations of Orel, Smolensk, and Penza oblasts, as well as by a number of Russian cultural figures, will soon be forwarded to the president, the prime minister, and the heads of both Federal Assembly chambers.

Doubting the grounds for what was "clear haste in drawing up a fundamental draft law," the authors of the letter point out the "vagueness and haphazardness of some definitions," as well as a "patent orientation to solving urban problems first while a considerable part of the country's territory is rural."

Listed among the important drawbacks of the draft law is the fact that it contains no "clear definition of competence of the local administration" given the fact that "these questions have been farmed out to the local community whose concept is also rather vague," while the law does not specify where "local communities" belong territorially. The draft law is also censured for making an artificial "distinction between territorial self-government and local self-government," for not defining "relations between the representative and executive organs of local self-government," and the absence of clarity in questions of shaping the structure of local self-government.

According to Yelena Panina, chairman of the Russian Zemstvo Movement, the granting to "local communities" of the right to independently confirm their charters and determine their borders may result in the "destruction of the state's unified fabric." Mrs. Panina did not rule out the possibility of "border conflicts" or of "war along the boundary-strip" between various "local communities." "Organizational development of the state cannot be farmed out to federation components, or cities, or villages. The rules of the game should be established in a federal law," Mrs. Panina declared.

In Mrs. Panina's view, a better solution to the problem of creating organizational forms of local self-government in Russia could be the creation of zemstvos. "Going back to the concepts of 'zemstvo and city assembly,' the 'zemstvo and city authority,' the 'zemstvo schools and hospitals' rooted in the people's historical memory would serve as a token of trust to the organs of local self-government," she believes.

Yakutia President Views Economic, Sovereignty Issues

MM1907110194 Moscow ROSSIYSKIYE VESTI in Russian 15 Jul 94 p 3

[Article by President Mikhail Nikolayev of the Republic of Sakha (Yakutia) under the "In the Regions" rubric: "The North Is Far Away, But You Cannot Hide from Its Problems"]

[Excerpts] The development of Russia's northern expanses has never been a private matter. This has been a national state task throughout our entire history. But now Russia's North and Northeast, which had brought it worldwide fame, have turned into the outcasts of the state. This has had a negative effect on the way of life of our peoples. The North has virtually become a burden on the state, or so certain politicians and economists believe.

A burden? Let me cite a few figures. Today 65 percent of petroleum reserves, 85 percent of gas, 63 percent of coal, 90 percent of nickel, 67 percent of timber, 87 percent of fish, 80 percent of apatites, over 95 percent of diamonds, and most of the reserves of gold, silver, lead, and rare-earth metals of the Russian Federation are concentrated in the North. The North provides over 20 percent of the national income with a population ratio of 6 percent. The North accounts for over one-half of the state's foreign currency revenues. [passage omitted]

You cannot ignore the fact that the new times have awakened the initiative and self-awareness of the Northerners and raised their personal responsibility for the region's future. A declaration on the republic's [Yakutia's] state sovereignty was adopted in September 1990. Within a year, in December 1991, the republic's first president was elected. In March 1992 an agreement was signed between the Republic of Sakha (Yakutia) and the Russian Federation according to which Yakutia received the right to keep part of the natural resources extracted on its territory under its own control. The real status of the Republic of Sakha (Yakutia) as a sovereign state is being consolidated in mutual relations with the federal power, components of the Federation, CIS states, foreign countries, and international organizations.

We are well aware of the fact that the rebirth of a republic is impossible unless the natural resources of territories start working toward the economic rebirth of republics, krays, oblasts, and cities in Russia. Other aspects of sovereignty include the following:

sovereignty as correction of the mistakes of the past in terms of the ethnic question;

sovereignty as guarantor of the ratification of the natural rights and freedoms of man, who has finally been emancipated in the Russian Federation;

sovereignty as a condition for the integration of territories and peoples in the world economy;

sovereignty as a condition for ensuring national security;

sovereignty as a condition for creating a decent life for people living in the extreme conditions of the North.

Those who do not take these subtleties and distinctions of sovereignty into account and who continue to speak about the "sovereignty bandwagon" do not notice that the times have changed, and that people are reacting with greater pain to questions connected with preserving and reviving culture, language, way of life, lifestyle, and traditions—all that makes up ethnic sources.

Social Unrest Predicted in Maritime Kray

OW1907224894 Vladivostok Radio Vladivostok Network in Russian 0210 GMT 19 Jul 94

[From the "Lunch Hour Break" program]

[Text] Representatives from the kray's 178th Plant and other defense enterprises gathered today on Tsentralnaya Ploshchad [Central Square] in Vladivostok. The premise for the meeting was economic demands: many of the collectives have not been paid wages for the past five months. Besides economic demands, there were also political ones, right down to demanding the resignation of Russia's president and Government. Our correspondent noted that representatives of the city and kray authorities and the Pacific Fleet were absent from the meeting.

Not long ago, we told you about a similar meeting at the Zvezda plant in Bolshoy Kamen. The situation was similar. We might remind you that the Zvezda collective demanded payment of the back wages by 25 July. Up to the time this program aired, all of the demands of today's meeting had not yet been determined. However, the unfolding of the workers' movement in the kray suggests a hot autumn with serious social eruptions unless, of course, the situation improves.

Ivanovo Oblast on Brink of 'Social Explosion'

MM1907153394 Moscow SOVETSKAYA ROSSIYA in Russian 16 Jul 94 p 1

[ITAR-TASS report: "Below the Critical Mark"]

[Text] Almost all of Ivanovo Oblast's textile factories have stopped production and the sector's 120,000 workers have gone on collective leave. The reason is the financial crisis afflicting the textile enterprises.

"There is now an emergency in the oblast," Oblast Administration Head Adolf Laptev told your ITAR-TASS correspondent. "The real level of unemployment has topped 25 percent. The living standards of Ivanovo's inhabitants has fallen below the critical mark, and society is on the brink of a social explosion."

"In order to breathe life into the principal sector of the economy," Vladimir Tikhomirov, deputy general director of the "Ivteks" Industrial and Financial Company, believes, "we need major subsidies to purchase natural and artificial fibers, dyes, and other chemical products. The Russian Government allocated 75 million concessionary credits for this purpose in April, but since then Ivanovo Oblast has not seen any of this money."

Treaty With Bashkortostan Ready for Signing

LD1907112094 Moscow INTERFAX in English 1103 GMT 19 Jul 94

[Text] A Russian-Bashkir treaty is ready for signing.

President of Bashkortostan Murtaza Rakhimov told Interfax that the sides had coordinated the agreement on power sharing. He said that the document was likely to be signed at the beginning of August.

The treaty will become a new form of establishing genuine federalism in Russia, said Rakhimov. He also expressed hope for the earliest possible conclusion of the treaty, because, he said some of the Russian ministries, with which intergovernmental agreements had been signed a month before, were trying to revise those agreements.

The document says that Bashkortostan is an independent and sovereign member of the Russian Federation. It will exercise state authority in all its entirety (legislative, executive and judicial) except for those powers delegated to Russia. Neither its territory nor status can be changed without its consent.

Bashkir State Secretary Mansur Ayupov, who leads the Bashkir delegation, said that Bashkortostan had secured more powers than Tatarstan or Kabardino-Balkaria. It will control the system of state bodies, define internal and foreign policies, shape the state budget, draft the tax policy, create its own legislative system, organize an alternative civil service, run international relations and foreign trade, and establish a national bank in accordance with separate agreements.

Bashkirian President Accepts Premier's Resignation

LD1907135594 Moscow Radio Rossii Network in Russian 1100 GMT 19 Jul 94

[Text] Today the president and presidium of the Supreme Soviet of the Bashkir Republic accepted the resignation of Prime Minister, Anatoliy Kopsov. The prime minister noted in his resignation statement that the torrent of

accusations against the government have reached such a pitch that it is impossible to continue working. The speaker of parliament, Yuriy Demin, said that members of the government who consider themselves guilty of abuse of office should, before it is too late, join the prime minister in resigning because they could be made liable. At the same time, the presidium of the Supreme Soviet of the Bashkir Republic has set up a commission to investigate the issue of the construction of a settlement of cottages for members of the government.

[Moscow ITAR-TASS World Service in Russian at 1225 GMT on 19 July, in an Ufa-datelined report by correspondent Raul Tukhvatullin, adds that Rim Bakiyev, first deputy chairman of the Supreme Soviet, was appointed acting prime minister]

Tatarstan Foreign Investment Law To Compensate for Losses

LD1907195494 Moscow INTERFAX in English 1910 GMT 19 Jul 94

[Text] The parliament of Tatarstan (a republic within the composition of Russia) adopted a law on foreign investments today.

In accordance with this law foreign investments on Tatar territory will enjoy complete and unconditional legal protection. The legal regime for foreign investments and performance of foreign investors cannot be less favorable than the regime for property, property rights and investment activities of Tatar legal entities and individuals.

In particular, the law says that foreign investors will have the right for compensation for losses, including lost profits in case of illegal actions on the part of the Tatar state bodies or officials. The rights of foreign investors are also guaranteed if legislation is changed.

Such measures as privileged tax rates, delay in payment of taxes or temporary freeing from paying taxes, soft loans, guarantees for loans and conclusion of governmental contracts on a privileged basis can be taken in order to stimulate foreign investments in Tatarstan.

In accordance with the law foreign investors and enterprises with participation of foreign investments can own land on Tatar territory.

Tatarstan Parliament Considers Reforming Power Bodies

MK2007092094 Moscow KOMMERSANT-DAILY in Russian 20 Jul 94 p 3

[Report by Galina Pechelina: "Session of Tatar Parliament. Kazan Intends To Reform Power"]

[Text] The Supreme Soviet of Tataria [Tatarstan] yesterday approved a concept for reforming the republic's representative and executive organs of power submitted by Zilya Valeyeva, Supreme Soviet first deputy chairman. Representatives of the "People's Sovereignty" ["Narodovlastiye"] deputy group, however, accused Mintimer Shaymiyev of intending to usurp power in the republic.

Under the concept, a reformed Tataria parliament is to keep its name—the Supreme Soviet. It will have one chamber of 130 deputies. It is proposed to hold elections in administrative- territorial and territorial electoral districts. Sixty-three deputies elected on the first ticket will exercise their powers while continuing in their regular jobs, while the rest of them will be full-time deputies. The concept calls for two modes of work: during sessions ("part time" deputies) and during plenary sessions (full composition). The draft specifies 15 questions that can only be considered in plenary sessions. They are in particular laws amending the Constitution, confirming the budget and hard currency funds, shaping the republic's domestic and foreign policy, and the election of the Supreme Soviet leaders.

The concept also recognizes it wise to expand the president's powers by granting him the right to make the decision on holding referendums without seeking consent from parliament.

Ildus Sultanov, coordinator of the "People's Sovereignty" group of deputies, declared that the concept is aimed first and foremost at strengthening presidential power at the expense of parliamentary powers. In his opinion, the suggested parliament structure is a "mutant" which is one-chamber in form but two-chamber in content. In his opinion, all the efforts of the standing parliament can always be brought to naught on a cue from on high (read: from the heads of administrations).

Despite the bitter nature of the discussion the concept was passed as a basis. Only following that did Mintimer Shaymiyev rise to speak. "When presidential power is criticized, this means it is really strong. Trying to demolish it would mean to weaken Tatarstan. This the president will not permit," Shaymiyev stated. In his estimation, the concept may provide a good basis for the elaboration of laws supportive of democratic elections.

Khabarovsk May Stop Contributing to Federal Budget

LD2007080994 Moscow ITAR-TASS World Service in Russian 0114 GMT 20 Jul 94

[Text] Khabarovsk, 20 July—Khabarovsk territory will stop its contributions to the budget of the Russian Federation if Moscow continues to ignore the requirements of the Far East, said the head of the administration of this Amur Valley region meeting journalists on Tuesday.

The head of the executive authority is convinced that the unwillingness of the Russian leadership to resolve the problems of the region simply encourages the local people to take political action. Even the creation of a Far East Republic will not seem illogical given the Government's current policies.

In the first half of the year the territory's budget had a shortfall of 53 percent amounting to 131,000 million roubles. Defense industry has ground to an almost complete halt. The territory is owed 134,000 million rubles for output produced for state orders. More than 600,000 million rubles of credit resources are needed to ensure vital services in the northern rayons but only 92,000 million has been made available.

International Affairs

Deputy Foreign Minister Talks at Council of Europe

AU1907123294 Kiev URYADOVYY KURYER in Ukrainian 16 Jul 94 p 1

[Report by the Press Center of Ukraine's Ministry of Foreign Affairs: "The Dialogue With the Council of Europe"]

[Text] On 13 July 1994, in Strasbourg, at the Council of Europe headquarters, consultations were held in the framework of the political dialogue between Ukraine and the Council of Europe.

In the course of the consultations, Boris Tarasyuk, Ukraine's deputy minister of foreign affairs, met with newly elected secretary of the influential European organization Daniel Tarschys. During the meeting, practical steps on the part of Ukraine and the Council of Europe toward our country's preparation for joining the organization were discussed.

The deputy chairman of the external political department also had meetings at the Council of Europe Committee of Ministers with envoys of 32 countries that are members of the Council. In the course of the talks, he briefed those present on the practical steps taken by Ukraine's Supreme Council and government for building a democratic state with a socially oriented economy and on the presidential election results. In the course of the extended dialogue, which presented mutual interests, the committee members showed considerable interest in both current Ukrainian domestic processes and our concrete steps aimed, in particular, at cooperation development with leading European institutions. In everybody's opinion, there presently exist no serious obstacle to a positive consideration of the question of Ukraine joining the Council of Europe.

Baltic, Black Sea States To Hold Conference 28-30 Jul

LD2007090194 Kiev UNIAR in Ukrainian 0730 GMT 20 Jul 94

[Text] Kiev, 19 Jul—As the press service of the URP [Ukrainain Republican Party] and the KNDS [Congress of National Democratic Forces] reported, on the initiative of the URP, the Green Party of Ukraine, and the Confederation of an Independent Poland, the first conference of political organizations of countries of the Baltic and Black Sea region will be held on 28-30 July. Parties and movements from Ukraine, Latvia, Lithuania, Estonia, Belarus, Moldova, Poland, Romania, the Czech Republic, and Slovakia will take part in the conference. In the words of the organizers, the aim of the conference is the need to create a league of parties of countries of the Baltic and Black Sea region in order to coordinate efforts in strengthening peace, security, and many-sided cooperation in Central and Eastern Europe.

National Affairs

Kuchma Gives Inauguration Speech

LD1907101194 Kiev Radio Ukraine World Service in Ukrainian 0725 GMT 19 Jul 94

[Inauguration speech by President Leonid Kuchma at the Supreme Council in Kiev—live relay]

[Text] Dear compatriots, esteemed foreign guests. Today's event is proof that the Ukrainian state lives, is getting on its feet, and is consolidating itself in the world. I would first like to thank you, the electorate, for placing such a high trust in me and electing me as the president of Ukraine. I am deeply grateful to the people of Ukraine for demonstrating such a high civic consciousness, for not being indifferent to the fate of the motherland, and for carrying out a civilized and democratic restoration of political power at the center and in the localities.

I would like to express thanks to the Supreme Council of Ukraine which, through legislation, guaranteed the process of political transformations on the principles of democracy and steadfastly abided by human rights, peace, and progress. I give due regard to Leonid Makarovych Kravchuk, who took the first difficult steps on the path of establishing Ukrainian statehood. During the elections the people of Ukraine expressed their desire to live in their own state. However, they would like Ukraine to be prosperous, democratic, and powerful.

Ukrainian statehood cannot be an end in itself. A state for the people and not a people for the state: It is precisely this faithful thesis which should become our conviction and should be filled with real content. A state that is incapable of defending its citizens from spiritual and material impoverishment is worth nothing. The Ukrainian state is not an icon to which one should pray. It is an exceptionally important institution which should work effectively in the interests of people and serve them. I am convinced that the entire state building should be subordinate to the task of economic and spiritual revival. As president of Ukraine, I see my main tasks as providing the citizens of Ukraine with safety, social protection, stability, and creating the conditions for cultural development and a dignified life on one's native land. First, though, it is necessary to renew the legal system. The torrent of irresponsibility and crime that has taken over Ukraine should be stopped. We should not allow crime, while fusing with part of the administrative apparatus, to seize power in Ukraine one step at a time. Measures are necessary, and I will take particularly tough ones in the near future, which the legislative base correspondingly allows. There will also be an end to the plundering of Ukraine.

Ukraine stands on the threshold of essential changes in its economic and political course. The need for such changes was confirmed by the people's active participation in the elections. People have placed the responsibility for conducting reforms on the single entire system of executive power headed by the president. I would like to assure you that I intend to persist with this aspiration and to use fully

the powers given to me to conduct such reforms. A single realistic path has been created to overcome the socioeconomic crisis in which the Ukrainian economy finds itself.

The time for reform came long ago. Its directions were determined. The main ingredient, the political will to implement it, was lacking. It will be necessary to demonstrate this will now. Marking time means death for the Ukrainian economy and the Ukrainian state. Only immediate and resolute actions by the authorities, implementation of budgetary and monetary reform, liberalization of taxation policy, bringing order to the currency regulation, and foreign economic activity can correct the situation. Reform should ease the people's lives, so it should be well thought out.

Ukraine can only exist as a social state, in which the strong are given the possibility of fulfilling themselves, and the weak are given social protection. If today, during the difficult transition period, the state does not give people more substantial support, then science, health care, culture and the life of the nation itself will end up under threat of final destruction. Under these conditions, ensuring the stability of the state should be a fundamental issue for Ukraine's political leadership. The policy of the president and government should be comprehensible to people and it should be consistent. People should again have the opportunity to look to the future with hope.

As president of Ukraine I will do everything possible to consolidate the nation and to overcome everything that violated the Ukrainian state's internal stability. (?This) is the situation in Ukraine today. Therefore, one has to act quickly (?but) carefully. The state does not have time for experiments, and the people do not have the strength or patience for them. I have always said, and repeat now: Our aim is not revolution, but systematic, resolute, and consistent renewal of the economic and sociopolitical system in Ukraine. The main means to achieve this are realism and common sense in both domestic and foreign policy.

When determining domestic political strategy today, should first understand that Ukraine is a multiethnic state. Any attempts to disregard this fact threatens a deep split in our society and the failure of the idea of Ukrainian statehood. Ukraine is mother to all of its citizens, regardless of nationality or religion, regardless of what they consider to be their native language. In the near future I intend to propose a change to the current legislation with the aim of granting official status to the Russian language, while the Ukrainian language retains its state status. [applause]

We should repay our debts to Ukrainian culture, while simultaneously creating the best conditions for the free development of the national cultures of all people who live on the territory of Ukraine. We should consolidate, not break up, society at this critical moment in Ukrainian history. To work honestly for the good of Ukraine, for the glory of Ukraine: This is the main demand, which should be put to all of the citizens of our state.

Without a doubt, the conditions, without which reforms or any movement forward are impossible, are the formation of a strong and effective state power. This envisages the strengthening of a single executive vertical structure as the fundamental instrument for implementing statewide policy. At the same time, relations between all branches of power should be stabilized. The president, Supreme Council, and judicial authority should have one aim so that nothing hinders our common activity on behalf of the people.

The absolute priority of the constitution should be acknowledged in relations between bodies of power. Its clauses cannot be changed unilaterally. I repeat, its clauses cannot be changed unilaterally without mutual agreement. Taking into account the main political realities and the dynamics of socioeconomic and political processes in our society, I, as president, consider it necessary to resume the constitutional process, having first elaborated in detail the mechanism for implementing it.

The other objective reality, in relation to which Ukraine's domestic policy will be determined, is the need for further development of local self-government and the extension of regions' rights and responsibilities, above all in the socioeconomic sphere. Market reforms are incompatible with tough administration, especially when it comes from one center. The competence and responsibility of all bodies of state power and the strengthening of various levels of administration should be clearly consolidated legally.

Ukraine will keep the continuity of its foreign policy in that part relating to its international obligations. It will steadfastly fulfill agreements and demand the same attitude from its partners. At the same time adjustments will be made to foreign policy so as to make Ukraine's international policy more dynamic and effective. Its efficiency should be determined not by the number of visits and agreements, but by concrete political and economic results.

The priorities of Ukraine's foreign policy should not be determined by ideology, but by the nationwide interests of our state. In concrete terms this means that realism, specificity, and pragmatism should replace political romanticism and euphoria and a certain vagueness, characteristics of the initial period of state-building.

Historically Ukraine is part of the Euro-Asian economic and cultural space. Ukraine's vitally important national interests are concentrated on this territory of the former Soviet Union now. These are also sources of necessary goods, raw materials, and energy-carriers. It is the most realistically accessible market for the products of Ukrainian producers. We are also linked with those countries, former republics of the Soviet Union, by traditional scientific, cultural, informational, and even family links. Millions of Ukrainians permanently reside there. Ukraine's self-isolation and its voluntary refusal to campaign vigorously for its own interests in the Euro-Asian space was a serious political mistake, which caused great damage, above all to the national economy.

We should not simply be present in the Commonwealth of Independent States but should learn actively to influence policies within the Commonwealth and resolutely defend

our own interests while clearly not forgetting about our partners. If we will not take part in the established rules of the game then those rules will nevertheless be set but without us and to the detriment of our interests. I am convinced that Ukraine can assume the role of one of the leaders of Euro-Asian economic integration and establish civilized, mutually favorable relations between interested parties. In this context the normalization of relations with Russia, our strategic partner, is of principal significance. The signing of a comprehensive and broad treaty on economic cooperation with the Russian Federation, whose preparation is practically complete, could become the first step in this direction.

This treaty should also become a good basis on which to resolve those political and economic absurdities that have accumulated in mutual relations between Ukraine and Russia. Relations with Western countries should be filled with a new realistic content. We should be sincere and ready for fruitful cooperation with all countries and with every one of them individually. It is necessary to move from exchanging declarations to full economic cooperation as soon as possible and to abolish decisively the obstacles that have been devised. Particular attention will be paid to cooperation with those countries and international economic organizations that display true business interests in Ukraine as a developed industrial state. Our aim is to integrate with the international economic system, not as a deindustrialized raw material appendage but as a partner will full rights.

Dear compatriots, I do not have answers to every question because that is impossible. It was not in vain that Winston Churchill said that people who have all of the answers are not to be trusted with the leadership of the state. I have never promised and do not promise now that all our misfortunes will come to an end tomorrow. The economic and social situation has greatly deteriorated during the last six months. The country is almost on the verge of an economic catastrophe. In order to prevent it, it will be necessary to adopt difficult and unpopular measures. On no account must we succumb to the temptation of implementing pseudo-stabilization by means of cosmetic measures, close our eyes to the existing (?crisis), and deceive the people. At any rate, we are obliged to stop the slide into the abyss and the march to nowhere. It is only when we stop this fateful process of degradation, the dying out of our economy and society, that we will begin to stand on our feet and only then will we have a future.

I would like all citizens to know that there will be difficult trials and that not all of our misfortunes and our shortages have come to an end. But I assure you that I will do everything to change the situation. I am deeply convinced that we will attain this. The personal commitment and responsibility of the president of Ukraine will guarantee this. We will also survive the difficult autumn and winter. Ukraine will undergo the last and the most difficult period of trials, and we will have a country worthy of our industrious people, of our glorious past, and of our children and grandchildren. Only joint work and respect for laboring people will give abundant fruit.

Dear compatriots, we are going along a difficult path of trials for the sake of the goodness and the happiness of Ukraine and all of its citizens. We have a single aim. Everything that is not of principle and not essential, everything that is insignificant should be put to the side. Hand in hand, shoulder to shoulder, and by helping one another we will win. I believe in this. Thank you for your attention.

Appoints Presidential Staff Chief

LD1907193194 Moscow INTERFAX in English 1816 GMT 19 Jul 94

[Text] The first appointment by Leonid Kuchma as the president of Ukraine was that of Dmitriy Tabachnik to the post of the head of the presidential staff. Before that Tabachnik was Kuchma's advisor and a key figure in the president's election campaign.

Earlier he was the press secretary of the cabinet and head of the PR department of the government. He left the post after Kuchma's resignation as prime-minister.

Tabachnik is a graduate of the history department of Kiev University. His articles have been published in many Kiev newspapers.

Outlines Future Tasks, Plans

AU1907181894 Kiev URYADOVYY KURYER in Ukrainian 16 Jul 94 p 2

[Report by Oksana Holovko: "The Economy and Law and Order Are in the Foreground"]

[Text] It is good that not a single political party supported me during the elections, as I am going to serve the people and not the party, Ukrainian President Kuchma stressed during his first news conference in the Ukrainian House. The meeting with representatives of the mass media was brief, and Leonid Danylovych [Kuchma] could only answer some of the numerous questions asked by the correspondents. One of the questions concerned cooperation between the newly elected president and Prime Minister Vitaliy Masol and his government, and also possible changes in the government.

"Today, economic problems are essential for our state," replied Leonid Kuchma. "I already had a meeting with Vitaliy Masol; we understand each other, and there are no contradictions between us today. Regarding changes in the government, they will definitely take place. Besides, those ministers who have deputy badges must leave their posts, so as not to deceive the voters."

What will be the first edicts by the new Ukrainian president? As has become known, they will deal with changing the taxation policy, establishing a fixed exchange rate of the karbovanets and mutual payments among enterprises. In other words, those problems, which, according to L. Kuchma, "hold our economy on the leash." A series of legal documents is also being prepared on "establishing order in our home." They have been prepared on the basis

of world experience. The question of adopting a constitution also remains open for Ukraine. That is why the correspondents wanted to know about Leonid Kuchma's attitude toward the issue and how he was going to build his relations with the parliament. The president is deeply convinced that the institution of presidency is necessary for our state. L. Kuchma reminded that he had been categorically opposed to elections to local self-government bodies. He likes, in particular, the French power structure. However, being still unfamiliar with all of the Supreme Council's legislative plans, the president would not like to return to the generally known slogan "All Power to the Soviets." Councils must certainly exists, but everybody must do his job. Including the Supreme Council, which must prepare laws and not control the economy.

A representative of the Russian mass media asked Leonid Kuchma about his attitude toward his image as a pro-Russian politician, ready to return Ukraine into the bosom of the former empire.

"I never suggested that Ukraine should join the former empire. On the contrary, I am saying that our relations must not be built at the expense of relations with other states. In particular, the West. Russia wants to join the G-7. As president, I also want this for my state."

Regarding the $4 billion allocated by advanced Western countries to assist Ukraine, the new president is convinced that we need this help and he is ready to meet with any Western politicians on this issue.

The Ukrainian president also stressed that our country must only have one state language—Ukrainian.

Leonid Kuchma did not confirm the information to the effect that his people are following the removal of the hard-currency capital from Ukraine, having explained this by the lack of such possibilities. He promised that, as soon as this became possible, the matter would be put under control.

The Ukrainian president assessed the unanimity of the Crimean electorate, who voted for him, as follows: "The Crimea voted for Ukraine." Questions about mutual relations with the press were particularly frequently asked, in various interpretations, during the news conference. L. Kuchma stressed that he will do everything possible to have the press occupy a major role in society. Regarding "settling accounts" with the mass media, which was, allegedly, considered earlier, Leonid Danylovych is not going to engage in this, since he is not going to look for enemies.

This is how the new president's first news conference, which was referred to as unofficial, went. However, everything that was said there is, indeed, official, so to speak, first-hand information.

Backs Ties to Russia Over West

944K1784A Donetsk DONBASS in Russian 15 Jul 94 p 1

["Exclusive Interview" with L.D. Kuchma by correspondent Oleg Plutalov; date not given: "Bridges Needed, Not Walls"]

[Text] During his visit to Kramatorsk L.D. Kuchma called at the Novokramatorskiy Mashinostroitelnyy Zavod Stock Company, where he met with the workers, engineering-technical personnel, and leaders of the enterprise.

Our correspondent met with L.D. Kuchma and conducted this interview with him.

[Plutalov] Leonid Danylovich, Kramatorsk is a city chiefly of mechanical engineers, and its inhabitants would, understandably, like to know how you view the situation in the Republic's mechanical engineering sector.

[Kuchma] Ukraine's mechanical engineering is in a most difficult situation, and a very great deal needs to be done to pull it from the breach. But it is essential that this problem be resolved not individually but together with other spheres of the Republic's economy. The point is that a mistake was made at the end of 1991 and the start of 1992: Together with the political division of the Union the unified economic mechanism was torn apart also and the economic space was splintered. As a result, the plants—the mechanical engineering plants included—lost the majority of their suppliers of raw material and the clients for their products. It is now clear to all that the former republics of the former USSR should not have been building walls between them but bridges.

[Plutalov] Some people's deputies, ministry employees, and industrial workers believe that our industry and mechanical engineering in particular would be aided by a strengthening of business ties to the West.

[Kuchma] You know, the words "The West will help us!" are beginning to acquire a humorous connotation.... It is, undoubtedly, necessary to develop relations with the West—this is axiomatic. At the same time, on the other hand, see how cautiously, warily even, businessmen of Europe and America are viewing trade with us. And if they do pluck up the courage to enter into business contacts, they immediately begin to dictate their terms, not only economic, what is more. In addition, Western markets are occupied by Western firms, and they have penetrated the states of the former CEMA also. Russia and the other CIS countries are our natural partners. Of course, we depend on Russia more than it does on us, but we also have products and materials that Russian industry cannot do without.

[Plutalov] How do you view the fact that the Novokramatorskiy Mashinostroitelnyy Zavod Association has been privatized and has become a stock company?

[Kuchma] Very positively. This is a notable event, which will enable the enterprise not only to overcome the economic storms but also to accelerate its development, reach the world level of product quality and productivity.... I altogether believe that all industrial enterprises, construction organizations, and so forth should be fully independent and should maintain relations with the state only by means of the tax system. If you have paid what you owe, you yourselves are the masters of everything else. That fact that our tax and banking policy needs to be reworked is another matter—but this is a different subject.

Kuchma's Reform Bloc To Form Political Party

LD1907162094 Kiev UNIAN in Ukrainian 1345 GMT 19 Jul 94

[Quotation marks as received]

[Text] Kiev [no dateline as received]—A UNIAN correspondent has learned from sources close to the leadership of the Interregional Reform Bloc (the Hrynyov-Kuchma bloc), that the first session of the Organizational Committee for setting up a new political party on the basis of the Interregional Reform Bloc and "New Ukraine" took place behind closed doors on 18 July. Volodymyr Hrynyov, cochairman of the bloc, conducted the session. Representatives from 10 of Ukraine's regions took part in the session—businessmen, scientists, and also representatives from power structures of a local level. Party documents were discussed. These were a political statement on the creation of a new party (it retains "Interregional Reform Bloc" as a provisional name), the party structure regulations, and the basis of the economic program. The documents were adopted in principle and an editorial commission was set up to elaborate them further. The Organizational Committee's plan of action was approved. In particular, the Organizational Committee plans to hold regional conferences in September-October and a constituent congress of the party at the end of November.

The basis of the economic program demonstrates the evident liberal tendency of the new political structure. In particular, the Interregional Reform Bloc is in favor of prioritizing the private sector of the economy, private ownership of land, openness of the economic space, privatization and financial stability, reductions in taxes, a federal land state system, and so on.

Volodymyr Hrynyov informed a UNIAN correspondent that on the eve of the session of the Organizational Committee, Leonid Kuchma, president of Ukraine, had welcomed the creation of the new party, and had asserted that he will be supporting it with his prestige. "Naturally, Volodymyr Hrynyov stressed, the party will accordingly be supporting Leonid Kuchma in his striving for economic reforms in Ukraine."

Competence of Recent Government Appointments Questioned

WS2007091994 Kiev UNIAN in Ukrainian 0900 GMT 19 Jul 94

[Commentary by Vasyl Krymskyy from the "Reviews, Commentaries, Outlooks" feature No. 29 (60), 17-23 Jul 94]

[Text] It seems that Prime Minister Vitaliy Masol does not like people with economic ideas—none of his three newly appointed deputies is a professional economist. Neither do they look like people preoccupied with reform. All three assumed their high posts after working in industries which can hardly be deemed important, thus, they will hardly be able to impress anybody with statesmanlike thinking. The three deputies do, however, have one trait in common—they were all once invited to work in high executive bodies by the then socialist Council of Ministers Chairman Vitaliy Masol.

Valeriy Samoplavskyy came to the post of first deputy prime minister "from the woods." He is a young (born in 1952), energetic forestry specialist from Zhytomyr Oblast. He has covered the distance from a deputy forest ranger in Zhytomyr to Ukraine's forestry minister. While he was in Zhytomyr, he enjoyed the reputation of a great lover of "Hunter's" vodka, a hospitable host, and an ingenious organizer of forest outings. People say that in those days Vitaliy Masol loved shooting competitions and barbecues in national parks. Samoplavskyy has introduced a new description of the job: According to him, the first deputy prime minister is the chief of staff responsible for the functioning of the government in general and its particular agencies. He sees his goal as discontinuing the decline in production, preventing "forceful privatization," and seeing to it that the resolutions passed by supreme administrative bodies are observed at all levels. The first deputy prime minister believes that law, although imperfect, must be unconditionally observed.

Deputy Prime Minister Anatoliy Dyuba has been transferred from the field of labor protection to the fuel and power complex, metallurgy, and chemical industries, which he is going to supervise. He began his career at the Donetsk steel rolling mill; then worked in mines, covering the distance from ordinary miner to mine manager, and later—to Ukraine's deputy minister of coal industry. Beginning in fall 1992, he headed the State Committee for Safe Labor and Supervision of Mining, which was later reorganized into the State Committee for Labor Protection.

Dyuba believes that the government's primary task with regard to the fuel and power complex is to step up control over supplies, transportation, processing, and sales of power resources, as well as increase state control over metallurgy and chemical industries. According to his retinue, Dyuba does not know much about the industries he has to supervise (with the exception of, perhaps, coal mining). He has no idea about macroeconomic processes, yet is known to be a perfect performer and a man with a very kind disposition. It is not that important for a deputy prime minister to tell potash fertilizers from rolled metal once he knows how to do his bosses' will.

Deputy Prime Minister for Construction Volodymyr Plytin lived and worked in Russia before moving to Ukraine in 1966. He is an average man not overburdened with higher education. He graduated from a technical school of machine building, however that turned out to be enough for Plytin to head Ukraine's Ministry of Construction and later, to manage the Ukrbud corporation. He is an indispensable organizer of parties, an excellent master of ceremony, and a professional in proposing toasts. Speaking to the press, V. Plytin said: "Both the president and the prime minister know construction and love to build; with such people the state will not be left without a roof." The new prime minister may know how to use a trowel, yet

observers voice their bewilderment over the fact that construction will receive a supervisor with a portfolio of deputy head of government. Why, then, not appoint deputy prime ministers for transport, communications, or roads, given that these fields are equally important for the economy?

One of the most outstanding events that has taken place in the Masol government is, undoubtedly, the resignation of First Deputy Prime Minister Hryhoriy Pyatachenko and the assumption of the post of finance minister by his deputy, Petro Hermanchuk. A professional economist, the latter has the reputation of a man who has a profound knowledge of finance and can do everything in the Finance Ministry's power to stabilize Ukraine's financial system. The new minister's motto is: "The Finance Ministry must form and implement finance and budget policies, not just be responsible for distribution." The distribution and accountant functions, according to Hermanchuk, should rest with the treasury. The minister is going to appoint Dmytriv, former head of the Department of Budget Implementation, to the post of treasury head. New departments are being set up in the Finance Ministry—the Department of Revenues will not only calculate daily inflow of capital to the budget but will also work on increasing these revenues. Tax inspection will not meddle in the state's taxation policy and its role will be reduced to the collection of taxes. Thus, the new minister is planning to implement Viktor Pynzenyk's old dream—delegate macroeconomic functions to both the Finance Ministry and the Ministry of Economy. Petro Hermanchuk has declared that he is not going to dismiss a single employee because of a lack of adequate replacement.

No matter how bright the minister of finance may be, he does not formulate the government's economic strategy, for he only deals with financial and budget issues. Thus, there are virtually no outstanding players in the government who would take care of purely economic, rather than industrial issues—the prime minister, his advisers, and deputies are incapable of this. Vitaliy Masol, however, hardly expects bright ideas from his deputies. Their role will probably be to execute and control. For the ideas to be thoughtlessly implemented, though, someone has to generate them. The prime minister has evidently managed to form a "team" of like-minded people, or at least a "team."

We can only hope that Leonid Kuchma, who believes economics to be the primary sphere of presidential activities, will advise that Vitaliy Masol change his deputies.

Meshkov Comments on Kuchma Election

LD1907164594 Moscow INTERFAX in English 1355 GMT 19 Jul 94

[Text] Crimea's President Yuri Meshkov believes that following the election of Leonid Kuchma to the Ukrainian presidency, there is a real opportunity to resolve the Crimean problem.

Answering newsmen in Kiev after Kuchma's inauguration, Meshkov at the same time refuted the suggestion that after Kuchma's election, the problem of Crimea would cease to exist by itself.

Commenting on Kuchma's election, Meshkov declared that nationalism was no longer dominant in Ukraine and voiced hope that "very soon relations between Kiev and Simferopol will normalize so that the situation will stop to be tense."

He said that there was neither Ukrainian nor Russian nationalism in Crimea's, and all it wanted was to build a smoothly functioning economy. "We try to move toward a more encouraging economy, and if the economic situation changed, our course would change too," Meshkov declared.

Crimean Parties' Reaction

LD2007090794 Kiev UNIAR in Ukrainian 0730 GMT 20 Jul 94

[Text] Simferopol, 19 Jul—Several Crimean parties have made statements on the occasion of the inauguration of the Ukrainian president, Leonid Kuchma.

In particular, the Republican Party of Crimea announced that it did not consciously begin the campaign aimed at boycotting the Ukrainian presidential elections as it intended to remove Leonid Kravchuk from the political arena. Members of the party consider that with the election of Kuchma as president of Ukraine, relations between Crimea and Ukraine would now be on a contractual basis.

The "Union of Support for the Republic of Crimea" party [Soyuz Pidtrymky Respubliky Krym], which is also known as the Crimean branch of Hrynyov-Kuchma's Interregional Bloc for Reforms, sent a cable of welcome to Kuchma. The cable, in particular, stresses a readiness to continue supporting Kuchma in overcoming the crisis in society and in renewing ties in the single economic space of CIS countries that had been broken.

A letter was sent to Kuchma from the National Crimean Tatar Movement. The letter notes: "We hope that with your election to this responsible post the policy of cynicism and lies toward the Crimean-Tatar people and all inhabitants of the peninsula will come to an end." The letter expresses readiness for close and fruitful cooperation and contains a request to accept an authorized delegation from the National Movement of Crimean Tatars.

Commission Publishes Final Presidential Election Results

AU2007101694 Kiev HOLOS UKRAYINY in Ukrainian 19 Jul 94 p 2

["Report by the Central Electoral Commission on the Results of the Ukrainian Presidential Elections at Repeat Voting on 10 July 1994"]

[Text] Upon analyzing the protocols and other materials of district electoral commissions on the results of voting in

constituencies, the Central Electoral Commission states that repeat voting was conducted in 33,623 district electoral commissions. The elections took place in all 27 constituencies. The electoral registers included 37,531,666 citizens of Ukraine; 26,883,642 people (71.63 percent) actually voted.

The election ballot had on it the names of two candidates for Ukrainian president—L.M. Kravchuk and L.D. Kuchma. The voting results are as follows.

L.M. Kravchuk: 12,112,442 votes (or 45.06 percent) in favor and 14,661,519 (or 54.54 percent) against.

L.D. Kuchma: 14,017,684 votes (or 52.14 percent) in favor and 12,756,277 votes (or 47.45 percent) against.

Consequently, in accordance with Articles 41 and 42 of Ukraine's law "On Ukrainian Presidential Elections," the Central Electoral Commission decided to consider Leonid Danylovych Kuchma as Ukraine's president-elect.

In accordance with Article 45 of Ukraine's law "On Ukrainian Presidential Elections," he was handed the certificate of being elected as the Ukrainian president.

Views Election Rigging in Cherkassy

LD1607095394 Kiev UNIAR in Ukrainian 2145 GMT 15 Jul 94

[Text] Cherkassy, 15 Jul—A special commission of the Ukrainian Supreme Council commissions has arrived in town to clarify the election of the town council chairman. Deputy Town Council Chairman Volodymyr Oliynyk defeated his boss, Mark Lytovskyy, when he won most of the votes in the 10 July ballot. The latter appealed to the Supreme Council, citing falsification of the election results. According to unconfirmed reports, several electoral commission members from the constituencies in which, according to Lytovskyy, the falsification of the election results was most blatant, are now in hospital after being attacked when they tried to publicize the falsification.

New Minister Doubts Need To Privatize Defense Industry

LD1707160694 Kiev Radio Ukraine World Service in Ukrainian 1500 GMT 17 Jul 94

[Text] Viktor Petrov, the new minister of machine-building, military-industrial complex, and conversion [name and title as received], has expressed in the press his certainty that Ukraine is capable of overcoming the crisis. We should build a healthy economy, where there will be no inefficient enterprises or workers, he said. Viktor Petrov expressed doubts on the necessity of privatizing defense complex enterprises. Touching on the issue of privatization in general, he noted that under conditions of our supermonopolism, privatized enterprises often stop producing unprofitable products, which are, however, extremely essential. Therefore, in the minister's opinion, it is necessary to introduce a point into the law on privatization on keeping an enterprise's specialization for at least three to five years.

Official Describes 1994 Harvest as 'Dismal'

AU1907105494 Kiev MOLOD UKRAYINY in Ukrainian 15 Jul 94 p 1

[Interview with Valentyn Oleksandrovych Tymoshenko, deputy chief of the Main Administration for Farming at Ukraine's Ministry of Agriculture, by Viktor Kozoriz; place and date not given: "First Tonnes of New Grain Have Been Delivered to State Granaries"]

[Text] While people discuss the results of the presidential elections, let us leave the political sphere and pay some attention to cereal crops. Today, it is precisely there that great policies are being shaped. What is the harvest situation like? With such a question, I turned, by telephone, to Valentyn Tymoshenko, deputy chief of the Main Administration for Farming at Ukraine's Ministry of Agriculture. Valentyn Oleksandrovych kindly told me that, as of 1700 [local time] on 13 July 1994, in Ukraine, crops on an area of more than 1.3 million hectares had already been mowed and, on 844,000 hectares, threshed. This amounts to about 8 percent of the total area. Thus, the main part of the work is yet to be completed.

Valentyn Tymoshenko said that, with the exception of a few oblasts, the whole of Ukraine is gathering the harvest. The southern regions are in the lead. In the Crimea, almost half of all the cereal crops have been gathered in, and this is also the situation in the Odessa and Kherson oblasts.

[Kozoriz] What are the present characteristics of the harvesting?

[Tymoshenko] In the south, all the early-ripening cereal crops have to be gathered simultaneously. This year, almost 2.5 million hectares of winter crops were reseeded with barley. The area under these cereal crops increased, and the barley has to be harvested within five or six days. This work is proceeding under extreme conditions. The work load upon one combine is maximum—between 120 and 130 hectares. People work in two or three shifts.

[Kozoriz] Is it possible to speak of the prospects of the harvest or of average results?

[Tymoshenko] Unfortunately, they are still dismal. In Nikolayev and Odessa oblasts, the initial amount of grain reaped was between 13 and 15 centners. This is 10 to 15 centners fewer than last year. In the Crimea, the estimate is 23-24 centners per hectare, also five centners fewer than last year. There will not be as much bread as we had last year. However, the situation is far from critical. Although the south suffered from drought, we hope to obtain marketable grain from the forest-steppe zone.

[Kozoriz] You are probably familiar with the statement by Ukraine's Prime Minister Vitaliy Masol that the state will not import grain this year. This is despite the fact that not

more than between 30 million and 35 million tonnes of grain may be obtained this year.

[Tymoshenko] Even if the harvest is minimal, Ukraine will not purchase grain abroad. You see, since last year, about 5 million tonnes of unsold grain has remained on the farms. We are taking all measures to have that grain delivered to the state's granaries. Literally three days ago, new purchase prices of bread were introduced. For example, the average price will be 2,636,000 karbovantsi [K] per tonne against K1,290,000 last year. For example, third-grade (between 23 and 28 percent gluten) wheat will cost K3,500,000. Last year's price was K1,190,000. In addition, a 30-percent bonus will be added for the grain sold above the state order. This is expected to encourage the commodity producers to sell the grain to the state. To sell and not to hand over, as was the practice in previous years.

[Kozoriz] Will last year's situation recur: The collective farms sold the grain to the state, but did not get paid for six months?

[Tymoshenko] I hope that this will not happen. Literally a few days ago, we held a radio interchange among the oblasts. The new minister of finance took part in this. He stated that this week special accounts will be opened in every oblast, and payments for the grain sold will be made from them. Incidentally, the first tonnes of new grain have already been delivered to the state's granaries.

[Kozoriz] In conclusion, what are this year's plans for grain procurement?

[Tymoshenko] This year, it is necessary to procure about 14 million tonnes of grain.

Belarus

Lukashenka Gives Inaugural Address at Supreme Soviet

WS2007085594 Minsk Radio Minsk Network in Belarusian 0722 GMT 20 Jul 94

[Speech by President Alyaksandr Lukashenka at an emergency Supreme Soviet session after taking the oath of office in Minsk on 20 July—live, in Russian]

[Text] Dear fellow citizens! Dear colleagues, deputies of the Supreme Soviet!

On this great day, let me thank you for the high degree of confidence you have given me. Today, this level of confidence is immense, and I will do everything possible to justify it. Abraham Lincoln once said: True democracy is government of the people, by the people, and for the people. The first head of the Belarusian state, who was elected by the entire nation, should always be aware of his ties with the common people, whose toil is the driving force of our land. I promise you that these ties will never be broken. This day of 20 July 1994—when the first president of Belarus was sworn in—should become a closing day of conflict in society and the first step toward the establishment of civic accord.

The way out of the economic crisis is impossible without a single will and joint work of the entire Belarusian nation. That is why the first president should rise, and will rise, above personal political preferences. He will be open to the most close cooperation with all political forces ready for constructive work for the benefit of Belarus. The president will be a guarantor of rights and freedoms of all Belarusian citizens, regardless of age, party affiliation, religion, or nationality. The only dictatorship, which is possible in a country striving to enter the world community as an equal member, is a dictatorship of law. In the face of law and our Constitution, all should be equal, ranging from a schoolboy to the president. The president will do everything in his power to devoutly observe the law and the Constitution, as well as the oath that I have taken here today.

The president elected by the entire nation will be a guarantor of Belarusian statehood. We are not going to encroach upon anybody's territory, no matter to whom it may have belonged in the past. Our task is to preserve our possessions of today and protect the integrity of Belarus. We will devoutly observe all international obligations assumed by Belarus and fulfill the agreements adopted by us.

The main asset of Belarus is its people. The primary task of all representatives of power, including the president, is to secure a decent life for the people. Let us leave behind political ambitions and confrontation—all of us, no matter how different, have one land, one motherland; we have something and someone for which to live and work. May God help us make the people's lives a little better a year after this oath has been taken by the first Belarusian president. This will mean that our work has not been in vain.

Thank you, dear friends, for your confidence and attention.

Bank Chairman Reportedly Agrees to Premiership

WS1907141394 Minsk BELAPAN in Belarusian 1345 GMT 19 Jul 94

[Text] According to BELAPAN sources, Mikhail Chyhir, chairman of the Belagraprambank commercial joint stock bank, has given his consent to assume the office of prime minister in the new Belarusian Cabinet of Ministers. It is expected that Belarusian President-elect Alyaksandr Lukashenka will present a candidate for prime minister at the 20 July session of the Belarusian Supreme Soviet.

Shokhin Congratulates Lukashenka, Urges Close Ties

WS2007095094 Minsk Radio Minsk Network in Belarusian 0730 GMT 20 Jul 94

[Speech by Aleksandr Shokhin, Russian deputy prime minister and economics minister, at an emergency Supreme Soviet session for the swearing in of Alyaksandr Lukashenka as Belarusian president, in Minsk—live, in Russian]

[Text] Esteemed President of the Republic of Belarus! Esteemed People's Deputies!

On behalf of the president and Government of the Russian Federation, in the name of all Russians, and with a feeling of brotherly friendship and deep respect for the Belarusian people, let me convey sincere greetings and best wishes, in connection with the election and assumption by you—Alyaksandr Ryhoravich—of the post of head of the Belarusian state.

I am convinced that your activities in this office will contribute to the strengthening of peace and accord in your country, and to rapprochement between the Russian and Belarusian peoples. Russians and Belarusians are affiliated peoples, due to their common fate, history, and culture; and, finally, due to their way of thinking. We are not only neighbors, we are brothers! We are ready for the closest cooperation and interaction with Belarus in various fields. Friendship, like a bridge, is not built from one side, and in this situation, provided there is the political will on both sides, we can really achieve a lot.

Currently, to the fore is brought not only a striving—and there is such a striving—but also knowledge of how to coordinate our interests and take into account our potential and peculiarities. We believe that the strengthening of the legal-treaty basis of cooperation can become our common goal for the near future. In particular, preparations for a new political treaty are aimed at elevating our relations to a qualitatively new level. The package of agreements on the unification of both countries' monetary

systems, to put it frankly, was a difficult step for us. Yet, it would hardly be wise to stop at a crossroads. A definite resolution to this issue should be achieved in the near future.

I am convinced that together we will be able to not only protect, but also multiply everything positive that has been achieved in our bilateral relations, and which has been created through the work of many generations of our peoples. I wish you, esteemed Alyaksandr Ryhoravich, much success in your complex and responsible activities as head of a state friendly to us—the Republic of Belarus.

Political Support for Lukashenka Evaluated

MM2007101194 Moscow ROSSIYSKAYA GAZETA in Russian 16 Jul 94 First Edition p 6

[Article by Lyudmila Maslyukova under the "Political Kaleidoscope" rubric: "President Without a Party. Parties Without a President"—from SOVETSKAYA BELORUSSIYA "Newspaper Within a Newspaper" section]

[Text] The more than 4 million citizens who voted for the new head of state [of Belarus] are fervently pinning their hopes on him. There is no rigid link between them and him apart from his conscience. He is a president without a party.

But when parties, public organizations, and business circles spoke about him, it turned out that they almost all pin hopes on him. The exception was the Belorussian [Belarusian] People's Front, which unequivocally declared: We will not cooperate with Lukashenka's government. Defining his team as a new-wave party nomenklatura, the radical nationals predicted that his would be a traitorous policy of appeasement.

During the very first days, not yet having taken the oath, Alyaksandr Lukashenka had a conversation with Igor Saprykin, the Russian Federation's ambassador to Belarus, insisting on an urgent telephone contact with Boris Yeltsin.

The Belorussian president's desire to rely at once on his neighbor is combined with the thesis of the Republic's unshakable statehood. Lukashenka declares: If it is not possible to reach agreement with Russia, it is necessary to seek alternative options.

The words about an alternative contain, for example, an allusion to the rejection of the ruble in favor of the national currrency—which attracts the more moderate right-wing democratic parties to it. The two main ones—the United Democratic Party and the Social Democratic Party, which gambled on Stanislav Shushkevich and lost along with him—have declared their readiness to cooperate with the president, provided he really turns in the direction of sovereignty, the idea of reviving the nation, and profound market economic reforms.

The democratic flank, which once made up the "Spring-94" bloc, which also included the Belorussian People's Front, split before the elections. Neither part was able to get its own candidate into power, and they are now sounding out whether the winner has any vacancies for them. They do have grounds for this. The overtly populist program of candidate Lukashenka was so eclectic and contradictory that you can make of it any real policy you like. This is why the fundamental question on the agenda is: Who will command the power delegated by the people?

While having no mainstay in the form of a party, Alyaksandr Lukashenka himself wields power at present. But, once again, in whose interests? Businessmen, dealers, and entrepreneurs are trying to ascertain what their chances are. They ask the president questions about his attitude to the market structures which have come into being, and he replies: The business class, if it wants to live, must pursue a policy in the interests of society, otherwise the people will reject it, in other words private personal monetary interest must be directed to the good of the poor. Nevertheless, champions of the Western model of the Republic's development pin hopes on the president's immediate entourage, which includes perfectly market-oriented figures: management specialist Viktor Tereshchenko and Valeriy Tsepkalo, Shushkevich's former economic adviser.

As a fervent fighter against corruption, Lukashenka cut off beforehand his paths to cooperation with the so-called "party of power." The entire government cabinet followed Vyacheslav Kebich in tendering its resignation. While the Council of Ministers was making that difficult decision, Alyaksandr Lukashenka took a cursory glance at the budget, the harvest, and the oil stocks for the winter and concluded that he had not imagined the whole complexity of the economic situation. The young politician, who only yesterday had been absolutely sure of himself and his team, demanded that the "old" officials, including top ones, not quit their jobs. He offered cooperation first to Kebich's two deputies, who, to his mind, are honest, and then, after a pause for evaluation, also added First Vice Prime Minister Mikhail Myasnikovich. How many of these former people will remain in power?

The first president's own team has actually turned out very small and does not possess experience of state administration. In addition, he intends to place these cadres in posts on his own staff and apparatus—Aleksandr Feduta, former figure in the Youth Union; Vladimir Yadrentsev, Minsk radio journalist; and Vladimir Nistyuk, former army political worker. Outside the narrow circle he will seek ministers and their deputies—all the rest of the president's men.

Small, medium, and mass organizations are "standing in line" for portfolios and appointments. The Agrarian Party of Belarus has expressed a desire to work with the president, provided he implements the policy that it wants. The republic's 5 million-strong Trade Union Federation has extended a hand "of friendship," provided, of course, Lukashenka does not renege on his election promises to pursue a policy in the interests of the impoverished people.

The people elevated Alyaksandr Lukashenka to the presidential throne thanks to left-wing slogans. It is natural that the whole spectrum of left-wing forces, which "wholeheartedly" congratulated Alyaksandr Ryhoravich on his win

and expressed hope in cooperation, is today being discovered at the foot of the throne. The Communists have also put the same offer to him, provided he remains true to his slogans.

The organized political forces in the Republic are seeking to secure for themselves a president without a party. Who will succeed in this? Will a monolithic "presidential party" be born from the heterogeneous trends?

Opposition Leader Calls for Early Parliamentary Elections

LD2007092794 Moscow ITAR-TASS in English 0849 GMT 20 Jul 94

[Text] Minsk 20 July BELINFORM-TASS—The opposition leader in the Byelorussian [Belarusian] Parliament, Zenon Poznyak, today called on the legislature to pass without delay a law on elections on a multi-party basis and to announce pre-term elections to the parliament.

The parliament's term is running out next March, but some time ago the legislature passed resolution announcing that the legislators would resign a year earlier. The parliament has not kept its word.

The opposition leader joined congratulations to Byelorussia's first president Alyaksandr Lukashenka and wished his success in "consolidating the Byelorussian nation and state and improving the people's living standards." He charged the Kebich government and the parliament majority with the failure to prevent or curb the deep economic and social crisis in the Republic.

Prices of Industrial Goods, Gas To Be Freed

WS1907150894 Minsk BELAPAN in Belarusian 1345 GMT 19 Jul 94

[Text] BELAPAN has learned from reliable sources that during the last session of the Cabinet of Ministers Presidium, when a statement on the government's resignation was adopted, Prime Minister Vyachaslaw Kebich informed the participants in the session that, in agreement with President-elect Alyaksandr Lukashenka, prices for industrial goods and gasoline in Belarus will be freed and tariffs on electricity energy will be increased by 1.6 times.

Moldova

Ministerial Talks With Romania End; Protocol Signed

AU2007072094 Bucharest Radio Romania Network in Romanian 1700 GMT 19 Jul 94

[Text] The fourth meeting of the Joint Interministerial Committees for the Relations between Romania and the Republic of Moldova took place in Chisinau today. The two committees were headed by Teodor Melescanu, Romanian minister of foreign affairs, and Ion Gutu, deputy prime minister of the Government of the Republic of Moldova. During the meeting, the sides reiterated the need to deepen economic integration and consolidate the joint cultural and intellectual space.

At the end of the meeting, the sides signed a protocol stipulating the principles and means for the further development of the relations between the two countries in various fields.

Socialists Back 'Moldovan Language' Clause

AU1907185994 Chisinau BASAPRESS in English 2100 GMT 14 Jul 94

[Text] Chisinau BASAPRESS, 14/7/1994—The amendments to the Constitution of the Socialist Unity (US) Faction have to do with social protection of the population, Valeriu Senic the U.S. leader stated. Senic added that the Socialists will insist that the new Constitution guarantee the right to work, free medical care and compulsory 10 year studies. The Socialists consider that the Constitution should declare the spiritual goods of the national minorities to be the goods of the entire people. Senic also said that the Constitution does not reflect the problem of a referendum as an expression of the people's will. He stated that the U.S. favors "the specification in the Constitution that the Moldovan people is a multi-national people." Senic said that the US favors the variant "Moldovan language" and opposes the addition in brackets of the term "Romanian Language" or "identical to Romanian." The socialists does not reject the idea of abolishing the death penalty through the Constitution. Peru Poiata, from the Christian Democratic Popular Front (FPCD) faction, told BASA that the FPCD had not changed its position regarding the official language. He said that the FPCD will accept no compromise and that the official language should be called the "Romanian language." Poiata said that the FPCD favors the abolition of the death penalty through the Constitution and the inclusion of an article into the Constitution prohibiting the adoption of laws violating the freedom of the press.

Dniester Authorities Confiscate Peasants' Land

AU2007072294 Chisinau BASAPRESS in English 2100 GMT 14 Jul 94

[Text] Chisinau BASAPRESS, 14/7/1994—Around 40 hectares of agricultural lots belonging to Moldovan peasants were transferred for good to the Cossacks' detachment members in Dubasari, sources from the city administration told BASA. Presently, the Cossacks intend to build villas and grow vines, fruit, and vegetables. Previously, these lots were owned by the village of Malovata-Noua, which is located on the left bank and was under Chisinau jurisdiction. Local observers point out that this is the main reason why the Dniester authorities confiscated these lots from peasants; the lots were under the Peace Keeping Forces' control. As a result, many Malovata-Noua inhabitants were left without work. Chisinau official representatives say that the Tiraspol authorities' actions are aimed at destabilizing the situation in the region.

Bread, Dairy Prices Expected To Rise in Dniester

AU1907190094 Chisinau BASAPRESS in English 2100 GMT 14 Jul 94

[Text] Chisinau BASAPRESS, 14/7/1994—Beginning 15 July, new bread and dairy products prices will be used in Dniester. A 1-kg loaf of bread will cost 800 Dniester rubles: This is seven times higher than it has cost in the past. One liter of milk will cost 1,500 rubles—the old price stands at 80 rubles. Sources from the Tiraspol administration say that the selling of bread and dairy products will be limited; these products can be bought only by those who have Dniester residence visas. Children under 16 will receive compensations amounting to a minimum salary, which that will stand at 40,000 rubles beginning 1 July. One U.S. dollar is exchanged in Dniester for 18,000 rubles. People were standing today in long queues at Tiraspol food stores to buy bread and milk at the old prices.

Smirnov Freezes Bank Account of Asket TV Station

AU2007072194 Chisinau BASAPRESS in English 2100 GMT 14 Jul 94

[Text] Chisinau BASAPRESS, 14/7/1994—As a result of the intervention of Igor Smirnov, chairman of the self-proclaimed Dniester Republic, the bank account no. 4467572 of the "Ellis" Commercial Bank was frozen. The account belongs to the "Tivik-A" joint-stock company. Thus, the "Asket" TV's property is sequestered. This is a consequence of the criticism of the Tiraspol authorities made by Asket TV. N. Demkina, member of the Tiraspol Supreme Court, told BASA that the sequester is a result of Smirnov's petition. Smirnov demands 100 million rubles as moral damages from Asket TV. Sources from Asket TV stated that under such circumstances it is not known if the TV station will function in Tiraspol. This morning, on the eve of increases in bread and dairy products prices, Asket reporters were forbidden to film the queues at Tiraspol food stores.

Kazakhstan

Disagreement With Russia on Caspian Sea Border

LD1907193494 Moscow INTERFAX in English 1816 GMT 19 Jul 94

[Text] Kazakhstan is going to insist on the division of the Caspian sea according to median geographical borders. The statement was made at a joint news conference of the Kazakh Ministries of Foreign Affairs and Environment and the leadership of an international oil and gas consortium.

The consortium was formed in 1993 by Western corporations British Gas, Agip, British Petroleum, Statoil, Total, Mobil, Royal Dutch Shell, and the local Kazakhstankaspishelf.

Participants in the news conference criticized the draft agreement of Caspian states worked out by the Russian Committee for Geology and Rational Utilization of Resources. The draft suggests the introduction of the notion of territorial waters in the Caspian sea (12 nautical miles from the coastline), where the seabed would be under national jurisdiction. The rest would become an international area of coastal countries.

Kazakhstan believes that the Caspian sea should be divided according to the geographical borders of coastal countries. The approach was reportedly supported by Azerbaijan which is planning to sign a contract by the end of the summer with an international consortium on the development of off-shore deposits.

The future of the Kazakh off-shore project depends on the demarcation of the border in the area. During the first three years the sides of the consortium should conduct prospecting work spending $100 Mn on it. Some $9 Mn should go on environmental measures.

Air Force Said Short of Men, Spares, Fuel

MM1907152194 Moscow PRAVDA in Russian 16 Jul 94 p 1

[ITAR-TASS report: "Kazakhstan Has an Air Force. But the Planes Are Not Flying"]

[Text] Kazakhstan's Armed Forces are going through difficult times: High-ranking military specialists are leaving the service and returning to Russia, Belorussia [Belarus], and Ukraine. Air units in the Kazakhstani Air Force have only 50-70 percent of their manpower requirements. This was the topic of a press conference given by Lieutenant General M. Altynbayev, commander in chief of the Republic's Air Force, which was held in Aktyubinsk. He noted that the country's Air Force is provided with quite modern, fourth-generation aviation equipment. If necessary, 90 percent of the air fleet can be put into the air to perform their missions. At present, however, the machines are mainly standing idle at the airfields. There is a shortage of spares, fuels, and lubricants.

Kyrgyzstan

Tashkent Loses Hot Water as Electricity Prices Double

LD1907135494 Tashkent Radio Mashal in Uzbek 1030 GMT 19 Jul 94

[Text] The breakdown in the labor process leads to increases in the cost of products and services. The cost of electricity recently increased in Kyrgyzstan. Problems in other areas have also increased. The construction of hydroelectric stations has halted, and the cost of coal is rising, with several increases in July. The use of natural gas in houses increased from 3.5 to 6.5 percent. The cost of water and heating increased threefold. Even with these prices, maintenance of the heating centers is proving difficult. The supply of hot water in the capital has stopped. Even with increasing prices electricity is still widely used. The price of electricity increased twofold, reports the AZIYA news correspondent.

President Dropped From Poll To Protect Position

MM1907152594 Moscow PRAVDA in Russian 16 Jul 94 p 1

[Report by Yuriy Razgulyayev: "Those Whom the Sociologists Serve"]

[Text] Bishkek—The latest popularity rating of political figures in Kyrgyzia appeared without President Akayev's name. Professor K. Isayev, leader of the group of sociologists, gave the following explanation for that fact:

We made a decision to temporarily suspend the publication of A. Akayev's position in the polls. This is due to our group's desire to consolidate society, to try to avoid confrontation with individuals, and also a desire to develop sociology in our republic as a science, an academic discipline, and a profession.

For those people who do not understand, let me explain: The "confrontation with individuals" occurred after a recent opinion poll put A. Akayev in... seventh place! This was a surprise even for the researchers themselves. But as real scientists they decided to publish everything as it is. That was when the fuss started: "Whom are these sociologist serving?" "Whose orders are they carrying out?"

It was made clear to the scientists that "no one else" can occupy first place. By all accounts, the scientists found the "safest" way out. That is, they simply omitted from the list the one who is more no. 1 than the actual no. 1 today. "So as to save the profession...."

But setting science straight is a very difficult business. Proof of that: There is another blank space in the study. Prof. K. Isayev has announced that his group has instructed the experts to answer another question: "Who could stand for the presidency of the Kyrgyz Republic in the 1996 election?"

"Fifty experts," he said, "named 30 potential candidates. This offers the hope that the forthcoming presidential election will be contested."

Tajikistan

Supreme Soviet Edict Extends State of Emergency

LD1907111494 Dushanbe Radio Tajikistan Network in Tajik 0500 GMT 19 Jul 94

[Text] The Presidium of the Supreme Soviet of the Republic of Tajikistan has issued an edict extending the state of emergency in the territories of some towns and rayons of the Republic and declaring a state of emergency in Fayzabad, Komsomolabad, Garm, Tajikabad, Tavildara, and Jirgatol Rayons and in the town of Rogun.

The edict says: In view of numerous appeals from citizens, in order to ensure the observance of the constitutional rights of the citizens and the normal activities of the establishments of the national economy of the republic, and in accordance with Article 108 of the Constitution of the Republic of Tajikistan and on the basis of the Law of the Republic of Tajikistan on the legal statues of states of emergency, the Presidium of the Supreme Soviet of the Republic of Tajikistan decrees:

1. The period of the state of emergency in Khatlon Oblast; the cities of Dushanbe, Kofarnihon, Tursunzoda, and Khorog; and the rayons of Shahrinav, Gissor, Lenin, Varzob, Darvoz, Vanj, Roshon, Shugnon, Ishkoshim, and Murgob is extended until 12 August 1994.

2. A state of emergency is declared in Fayzabad, Komsomolabad, Garm, Tajikabad, Tavildara, and Jirgatol Rayons and in the town of Khorg beginning at 0000 local time on 13 July 1994 until 12 August 1994.

Internal Affairs Minister Salimov and Security Minister Zuhurov are to establish operational headquarters in the aforementioned towns and rayons and to appoint commandants. The commandants are to give orders to regulate the issues relating to the state of emergency in accordance with this edict.

3. During the state of emergency in the aforementioned towns and rayons, warning is given on the possibility of banning the activities of political parties, social associations, and citizens' (?independent) associations in these towns and rayons if their activities interfere with the normalization of the sociopolitical situation.

Strikes, rallies, marches, demonstrations, picketing, and mass hunger strikes as well as sport and other events are banned. If necessary, the movement, arrival, and departure of means of transport will be limited and they can be inspected.

Citizens' documents will be inspected; citizens and their belongings will be searched.

4. The Internal Affairs, Security, and Defense Ministries of the Republic of Tajikistan are instructed to provide the necessary force and equipment to ensure the state of emergency and to send them to the aforementioned towns and rayons.

5. The executive committees of the soviet of people's deputies of the aforementioned towns and rayons are duty-bound to extend full assistance to the operational headquarters in ensuring the state of emergency.

6. In accordance with current legislation, the legal status of the state of emergency in the aforementioned rayons be defined [as heard].

7. The Council of Ministers of the Republic of Tajikistan is to take necessary measures to bring this edict to the attention of the population of the aforementioned towns and rayons and to legislate on the state of emergency.

8. The Foreign Ministry of the Republic of Tajikistan should inform the heads of states of the Commonwealth of the Independent States and the UN secretary general about the introduction of a state of emergency in the aforementioned towns and rayons.

9. This edict is effective from the time it was adopted.

10. This decree should be proposed for approval to the Supreme Soviet of the Republic of Tajikistan.

[signed] Emomali Rakhmonov, chairman of the Supreme Soviet of the Republic of Tajikistan.

Rakhmonov Sends Congratulations to Belarus President

LD1907125194 Dushanbe Radio Tajikistan Network in Tajik 0500 GMT 19 Jul 94

[Text] Emomali Rakhmonov, head of state and chairman of the Supreme Soviet of the Republic of Tajikistan, sent a message of congratulations to Alyaksandr Grigoryevich Lukashenka on the occasion of his election as president of the Republic of Belarus. The message says:

I am confident that the traditional friendly relations between our nations in economic, political, and cultural fields will be further strengthened and developed. Like many other countries in the Commonwealth of Independent States, our countries are facing difficulties these days. I am perfectly sure that the way of out of the crisis should be finding joint efforts, establishing strong, beneficial bilateral cooperation, and establishing multilateral relations between the Commonwealth's states.

Emomali Rakhmonov wished the friendly people of Belarus health and success.

Congratulates New Ukrainian President

LD1907125394 Dushanbe Radio Tajikistan Network in Tajik 0500 GMT 19 Jul 94

[Text] Emomali Rakhmonov, chairman of the Supreme Soviet of the Republic of Tajikistan, has sincerely congratulated Leonid Danilovich Kuchma on his election as president of his country. The message says:

We hope that the traditional friendly relations and beneficial cooperation between Tajikistan and Ukraine, which are in the interests of the people of both independent states, will be further successfully developed. Tajikistan will strive for development of multilateral relations with fraternal Ukraine.

Council of Ministers Approves Trade Agreement With Armenia

LD1907133294 Dushanbe Radio Tajikistan Network in Tajik 0040 GMT 19 Jul 94

[Text] The Council of Ministers of the Republic of Tajikistan has approved the agreements signed on 2 March 1994 in the city of Moscow between the Governments of the Republic of Tajikistan and the Republic of Armenia on free trade, on the basis of customs relations and on nontrade payments.

The Tajik Foreign Ministry was instructed to inform the Armenian Government of the implementation of the legal basis of the above-mentioned agreements by Tajikistan and the coming into force of the agreements.

The Tajik Council of Ministers similarly adopted a decision appointing Mirzoyev, minister of economics and forecasting, as Tajik representative on the board of the foundation for assistance to the Republic of Tajikistan. [passage indistinct]

Parliament To Discuss Constitutional Reform

LD2007091594 Moscow ITAR-TASS in English 0847 GMT 20 Jul 94

[Report by TIA correspondent Negmat Ochilov for TASS]

[Text] Dushanbe 20 July, TASS—Tajiksitan will follow the path of democratic development and the construction of a secular society, where all citizens will be equal before the law, irrespective of their nationality and political and religious convictions, republican leader Emomali Rakhmonov said on Wednesday [20 July] in his report on the constitutional reform in the republic delivered to the national parliament.

Rakhmanov summed up the results of nationwide discussions of the draft constitution. According to him, 6.5 thousand proposals and remarks were received. The draft won a positive assessment from U.N. specialists and a number of international organizations.

The draft constitution allows various forms of property, but the land, water and natural resources will remain state property.

The parliament is to decide on how the constitution is to be adopted.

Turkmenistan

Niyazov Meets Participants of Aral Basin Meeting

LD2007092494 Ashgabat Radio Ashgabat Network in Russian 0200 GMT 20 Jul 94

[Text] Yesterday, Saparmurad Turkmenbashy [President Niyazov], met with the participants of the meeting of the Interstates Council on questions of the Aral basin in Ashgabat. As is known, the aims of the council for solving the questions of Aral will soon be worked out and [word indistinct] at the meeting in Ashgabat. Saparmurad Turkmenbashy said that if the aims established by the participation of Kazakhstan, Kyrgyzstan, Turkmenistan, and the International Fund for Saving Aral were implemented, a great task would be fulfilled. Saparmurad Turkmenbashy pointed out that our approach to the question of saving the Aral must be completely different from that during the USSR period. He said: [words indistinct]. We, above all, should achieve the faith in each of the countries concerned with the question of Aral; if we call on people of the world to solve the question of Aral, it will not be saved; we must solve the question ourselves by our joint efforts [words indistinct].

Later, Saparmurad Turkmenbashy, president of Turkmenistan, stressed that the meeting of the Interstates Council on questions of the Aral Basin would be of great importance in solving the questions concerning Aral. He wished the council success in solving the Aral crisis, which has turned into a tragedy for mankind. The participants of the meeting of the Inter-States Council on questions of the Aral Basin held in Ashgabat expressed their gratitude to President Saparmurad Turkmenbashy for having spared the time for an exchange of views with them.

Uzbekistan

President Karimov Appoints New Deputy Prime Minister

LD1907164394 Tashkent Radio Mashal in Uzbek 0145 GMT 19 Jul 94

[Text] In line with a decree by Uzbekistan's president, Rustam Rasulovich Yunosov is appointed deputy prime minister of the Republic of Uzbekistan.

Germany Pledges Aid for Infrastructure Development

LD1907195294 Moscow INTERFAX in English 1908 GMT 19 Jul 94

[Text] The German Government is going to grant Uzbekistan DM 61.5 million to support economic reforms. An appropriate agreement was signed on Tuesday [19 July] in Tashkent by the German Ministry of Economics and the Uzbek Ministry for Foreign Economic Relations.

A spokesman for the Uzbek Ministry told INTERFAX that the money will be spent primarily on reconstructing

the airport in Tashkent and developing a telephone network in Chirchik, north-west Uzbekistan.

The official stressed that Germany has been the most supportive country of those outside the former Soviet Union. In 1992 it opened a five year credit line of DM 100 million at 5% annual interest to finance social security projects. Last year at the request of the Uzbek Government the size of the line was boosted to DM 200 Million. Besides in 1993 the German Government offered Uzbekistan a credit of DM 15 million for 30 years at 2% annual interest with a 10 year respite.

According to the ministry spokesman, the $200 million Uzbek gold deposit at Deutsche Bank can be considered a guarantee of the financial aid given to his country.

Armenia

Armenian, Georgian Premiers Call For CIS Currency

LD1907170294 Tbilisi IPRINDA in Russian 1400 GMT 19 Jul 94

[Text] Yerevan (IPRINDA) [no dateline as received]—The Armenian Government has called for the creation of a single currency for the CIS State Bank. In this connection, Georgian Prime Minister Otar Patsatsia has sent a telegram to Armenian Prime Minister Bagratyan indicating that the idea is of a vital significance to the CIS countries. Patsatsia has also suggested that a detailed discussion of the issue by interested parties should be initiated.

Former Official Says Police 'Terror' Strengthening

NC1907210594 Yerevan SNARK in English 1206 GMT 19 Jul 94

[Text] Yerevan, July 19 (SNARK)—The coalescence of state and mafia structures has concluded. The terror of police becomes stronger and stronger, said to the journalists at today's press conference Ashot Manucharyan, the former National Security Counselor of Armenian President. He also informs of the fact that special groups are working within these structures. Following the order of the President they are realizing the tasks of terroristic character. "Such groups are working within the Department of Internal Affaires, State Department of National Security and within the guard of the President", said Manucharyan.

Meanwhile, Manucharyan states, the structures which are controlling parties, become stronger and stronger at the State Department of National Security. So, this is the way to control the political elite of Armenia.

"There is no other force in the Republic to stop these processes but people", said Manucharyan. He is also of the opinion that the authorities of Armenia will use the Karabakh war to get benefit achieving their certain political aims.

Labor Rights Agreement Signed With Russia

NC1907210394 Yerevan SNARK in English 1206 GMT 19 Jul 94

[Text] Yerevan, July 19 (SNARK)—Today Armenia and Russia signed inter-Government agreement on mutual defense of labor rights of citizens of both states. The document was signed by Tatiana Regent [name as received], Head of the Federal Service on Migration of Russian Federation, and Ashot Yesayan, Armenian Minister of Labor and Social Defense.

According to Mr. Yesayan, about 110 thousand citizens of Armenia are working in Russia now.

The agreement will give an opportunity to defend social and labor rights of Russia's citizens, those who work and live in Armenia, in particular, the specialists coming to Armenia to re-start the work of the Armenian Nuclear Power Station.

Tatiana Regent informs SNARK of the fact that the draft of the agreement on mutual defence of migrators' rights was also discussed at the meeting. The Armenian side will introduce its suggestions in 10 days in Moscow.

570 000 refugees and about a million forced settlers live in Russia, Armenians take the second place among them.

Russian Talks Delegation Head Criticized

944K1803C Yerevan GOLOS ARMENII in Russian 16 Jul 94 p 1

[Commentary by the GOLOS ARMENII analytical department, under the rubric "A Point-Blank Question": "What Will Be the Subject of the Next Joke?"]

[Text] After Russia allocated for Armenia R110 billion, one expected the contacts between the two states to perk up considerably. And so they did. Literally several days later an authoritative Russian Delegation headed by V. Oleandrov, a Russian Federation MFA's [Ministry of Foreign Affairs] special envoy, arrived in Yerevan. Official releases said that the visit's program included negotiations related to the development of bilateral interstate relations in the military-political and economic spheres. In domestic reports the emphasis was made on the economic aspect; the Ostankino "Novosti" program, on the other hand, dwelled more on the problem of placing Russian military bases in Armenia. In his interview to Armenian Television, the head of the Armenian delegation Minister of State Armenak Kazaryan, in very poor Armenian, which resembled more a hybrid of slang and [word indistinct] style, also emphasized the importance of the negotiations' economic side, apparently well aware that, of all others, this aspect gets the greatest attention of the worn-out public.

While welcoming every step aimed at improving and intensifying relations with Russia, naturally, we are also interested that they be as effective as possible, and that all sorts of accidental phenomena would not become an obstacle in the implementation of programs supported by the absolute majority of the population.

In this connection, one cannot help but wonder about the choice of Armenak Kazaryan as the head of Armenian delegation at the negotiations. After all, to the best of our knowledge, in the Armenian government, the minister of state is in charge of science, culture, education, and press, and such issues apparently are not going to be discussed with Oleandrov and another member of the delegation—Lieutenant General Kuznetsov, chief of the Russian Federation Ministry of Defense's Engineer Troops.

Having decided to be thorough, we meticulously studied all information available to us but were unable to find a single sphere in the negotiations subjects where Kazaryan by virtue of the position he holds in the government could be truly useful.

It is said that there sometimes is logic in things commonly regarded as illogical. The fathers of the nation can pretend, of course, that Armenak Kazaryan is precisely such a case, but, in our opinion, this will not make things easier. Because jokes told by those who visit Armenia as part of some or other high mission do reach us as well.

Vouchers To Be Introduced in September

944K1803A Yerevan RESPUBLIKA ARMENIYA in Russian 16 Jul 94 p 1

[Report by S. Oganyan: "Vouchers Will Be Here in September"]

[Text] The vouchers, or more correctly, privatization certificates, most likely will be introduced in Armenia in September of this year. This was announced at yesterday's press conference by Boris Kocharyan, acting chairman of the State Commission on Privatization and Denationalization of State Property.

B. Kocharyan noted that privatization in Armenia may be divided into three phases. The first is privatization of small enterprises. Two years ago, 330 such entities were privatized. Now 36 are being reviewed by the state commission, and 219 more are being prepared for submission. The second phase is privatization of medium-size and large enterprises. Currently, it cannot be started, however, because of the absence of a firm legal base. Especially considering that the state commission head does not see any reason for haste in this matter. In the end, medium-size and large enterprises are to be converted into joint-stock societies.

"Today, however, I would like to concentrate on the third phase—partial and free-of-charge privatization," said B. Kocharyan. "The Supreme Council made changes to the law on privatization, in keeping with which 20 percent of the enterprises' property is transferred to the collective..."

New Paper To Be Published in Yerevan

944K1803B Yerevan RESPUBLIKA ARMENIYA in Russian 16 Jul 94 p 1

[Unattributed report: "And Another Newspaper"]

[Text] A new newspaper in the Armenian language—ARAVOT—will soon begin publication in Yerevan. The newspaper's Editor in Chief Ignat Mamyan told FAKT correspondent that this will be a periodical on social, political, economic, and cultural topics. Financing will be done through income received from advertising and announcements. The newspaper's founder and publisher is its labor collective.

"Our newspaper will become a forum for broad population strata and will avoid at all costs any partisanship," Mamyan said.

Azerbaijan

Aliyev Receives U.S. Military Delegation

NC1907192694 Baku Azerbaycan Radio Televiziyasi Television Network in Azeri 1600 GMT 19 July

[Excerpts] Azerbaijani President Geydar Aliyev today received a delegation lead by General Gregory Govan, director of the U.S. [word indistinct] Agency.

The head of the Azerbaijani state emphasized that such meetings will help to further enhance and strengthen relations between the two countries.

In giving the reason for their visit, General Gregory Govan said that the delegation arrived here to find out the results of the agreement on Conventional Armed Forces in Europe signed by Azerbaijan two years ago and to cooperate in the military sphere.

The guests indicated that they were satisfied with their meeting with the leaders of the Azerbaijani Defense Ministry today. [passage omitted]

State advisers Nureddin Sadykhov and Vafa Gulizade, the republic's Chief of General Staff Nadzhmeddin Sadykhov, U.S. Ambassador to Azerbaijan Richard Kauzlarich, and other officials participated in the meeting.

Foreign Policy Problems, Objectives Viewed

MM1907154194 Moscow IZVESTIYA in Russian 16 Jul 94 p 3

[Report by Sokhbet Mamedov on interview with Foreign Minister Gasan Gasanov; place and date of interview not given: "Baku Considers Everyone Its Friend Except Armenia"]

[Text] Baku—In the four years of Azerbaijan's independent existence its foreign policy has already changed three times with a change of power. The country's policy in relation to the outside world has been built depending on the sympathies of the republic's top person toward a particular state.

Under the conservative Mutalibov diplomacy was essentially doomed to inactivity.

The year of rule by the People's Front was accompanied by a succession of upheavals. The attempt by Abdulfaz Elchibey's comrades-in-arms to rule the country by methods of protest rally democracy, subduing wrongdoers with police batons, did not win the country any international laurels. Certain incautious comments directed by the former president himself at a number of foreign states near and far erected insuperable barriers in relations between them and Azerbaijan.

A typical feature of the current period, which is increasingly being called pragmatic, is official Baku's desire to forge civilized ties with the world community.

Who exactly is at the helm of Azerbaijani foreign policy? Geydar Aliyev.

"The president determines strategy while we work out tactics," republic Foreign Minister Gasan Gasanov explained to me.

Gasanov is one of the people trusted by Aliyev. They met when on joint party work. Gasanov was Mutalibov's prime minister, while under Elchibey he was Azerbaijan's permanent representative to the United Nations.

Vafa Guluzade is the president's foreign policy adviser. He is no novice in diplomatic work, he has a perfect command of several languages and, when constantly taking part in meetings between the president and foreign diplomats, acts as a safety net for the interpreters.

Who is more important: the minister or the president's adviser?

Gasanov told me:

"The service of the state counselor for foreign policy is closely cooperating with us. Guluzade and I have known each other for over 20 years. Neither of us is trying to pull the rope too strongly towards ourselves. The distribution of powers is of a purely working nature."

One hundred and fifty people work in the Foreign Ministry. There are very few people with adequate experience of diplomatic work. In the Soviet period there were practically no Azerbaijanis in top diplomatic posts.

"When I arrived the vast majority of staffers," the minister recounts, "had no experience of conducting talks. The apparatus' work was concentrated only on solving the problem of the Armenian-Azerbaijani conflict."

People with an adequate command of foreign languages prefer to get themselves a job in commercial organizations rather than the Foreign Ministry.

"We need such specialists, who have an analytical mind, we need professionals who know the secrets of the 'Aesopian language' of diplomacy," Gasanov shares his opinion.

Azerbaijani diplomats are being trained in Iran, Turkey, and other countries.

"We believe," Gasanov says, "that all states apart from Armenia, which is at enmity with us, are our friends."

Azerbaijan's foreign policy concept can be divided into two programs—minimum and maximum. The first was devised for the immediate normalization of relations with the UN Security Council's five permanent members. The second pursued the task of deepening friendly relations with our closest neighbors. In the foreign minister's opinion both programs have been implemented.

Diplomatic missions have been opened in New York (at the United Nations), Washington, the European parts of the continent—Bonn and London, the Arabic countries—Egypt and Saudi Arabia, and in Ankara, Tehran, and Moscow. Maintaining Azerbaijan's embassies and consulates abroad will cost the treasury $10.175 million this year. For a country which is de facto in a state of war, which has lost 20 percent of its territory, which is experiencing a deep economic crisis, and finally, which has around 1 million refugees, opening new diplomatic missions would be an expensive luxury.

"Relations with Russia are a priority area of our policy," Gasanov says. "First, it is a member of the UN Security Council and our closest neighbor, which naturally has great clout in world politics, and we simply do not have the right not to take this into account. Second, for centuries we have been united by common interests, and it would be an unforgivable mistake to abandon them now."

The only weak point of current Azerbaijani diplomacy is the absence of normal relations with the United States. Back when Elchibey was president in October 1992, the U.S. Congress practically put an embargo on humanitarian and economic ties with Azerbaijan. A certain thaw in relations with Washington can now be observed. This is evidenced by U.S. diplomats' frequent visits to Baku and the recent almost two-hour meeting between Aliyev and U.S. Secretary of State Warren Christopher in Istanbul.

Baku believes that the United States is gradually changing its position in relation to Azerbaijan.

Military Firearms Banned in Baku

944K1788B Baku BAKINSKIY RABOCHIY in Russian 15 Jul 94 p 2

[AZERTADZH report: "In the Name of the Citizens' Tranquillity"]

[Text] To prevent negative phenomena connected with the bearing and use of firearms and bladed weapons and explosives and to ensure the safety of the peaceful population and also to prevent the appearance on the streets and in public places of Baku of servicemen without the appropriate papers and civilians, the chief of the Baku Garrison, Colonel R. Amirov, first deputy chief of the General Staff of the Azerbaijan Republic Armed Forces, has issued orders banning the carrying of weapons and regulating the wearing of military uniform on the territory of the garrison.

Wearing field service dress outside of the units in the Baku Garrison is henceforward prohibited. The appearance of servicemen in the city shall be limited to the minimum.

Aliyev's Saudi Arabia Visit Detailed

944K1788A Baku BAKINSKIY RABOCHIY in Russian 15 Jul 94 p 1

[AZERTADZH special correspondent report: "Official Visit of Geydar Aliyev, President of Azerbaijan, to Saudi Arabia"]

[Text] Azerbaijan, which has embarked on the path of independence, aspires to establish with other countries direct relations and diverse cooperation designed to contribute to the economic development of the republic, a settlement of the Armenian-Azerbaijani conflict by peaceful means, and a strengthening of the republic's

positions in the international arena. It is to this that the foreign policy of the Azerbaijani state, which is making active diplomatic efforts in this field, is geared.

On 9 July Geydar Aliyev, president of the republic, left for an official visit to Saudi Arabia at the invitation of the country's King Fahd Bin-'Abd-al-'Aziz Al Sa'ud. The signing of a number of documents aimed at a strengthening of relations between the two states is scheduled in the course of the visit.

Responding to journalists' questions before departure, Geydar Aliyev said:

"Saudi Arabia is a developed and rich country of the Arab world and it occupies a worthy place in the international community, being at the same time the guardian of Muslim holy places. It is essential that Azerbaijan establish relations with this state for there have hitherto been no relations between our countries. Although certain attempts in this sphere were made after Azerbaijan gained independence, they produced no results. Considering that Saudi Arabia has great authority in the world and also our religious unity and the affinity of our historical traditions, I have accepted an official invitation from the king of Saudi Arabia to visit this country. I hope that the visit will be productive and that the prerequisites for the establishment of permanent cooperation will be created. Our embassy is operating in Saudi Arabia. The arrival in Azerbaijan and the presentation of the credentials of an ambassador of Saudi Arabia are expected soon. Economic and trade contacts, tourism, and cultural and spiritual relations will broaden.

"Muslims from many countries, Azerbaijan included, make the pilgrimage to Saudi Arabia annually. The question of the assistance that may be rendered pilgrims from Azerbaijan will also, possibly, be raised in the course of the negotiations.

"It gives me great satisfaction to be leaving on this trip. Saudi Arabia is of interest to me as a country also, and I am looking forward with great excitement to the visits to the Muslim holy places here."

Geydar Aliyev, president of Azerbaijan, was seen off at Bina Airport by Rasul Guliyev, chairman of the Supreme Council of the republic, Prime Minister Suret Guseynov, and other officials.

The president of Azerbaijan was accompanied on the trip by Fuad Guliyev, first deputy prime minister of the republic, State Counselors Vafa Gulizade, Gabil Guseynli, and Vakhid Akhundov, Deputy Prime Minister Elchin Efendiyev, ministers, Shaykh ul-Islam Hajji Allakhshukyur Pashazade, chairman of the Agency for Muslims of the Caucasus, and other officials.

The same day Geydar Aliyev, president of the Azerbaijan Republic, arrived in Saudi Arabia. The head of the Azerbaijani state was met at Jiddah Airport by Prince Sultan Bin-'Abd-al-'Aziz Al Sa'ud, brother of the king of Saudi Arabia and minister of defense and civil aviation of this country, Prince Mutaib Bin-'Abd-al-'Aziz, emir of Mecca, Prince Sa'ud al-Faysal Al Sa'ud, minister of foreign affairs, special advisers to the king, and other officials.

The program of the visit of the president of Azerbaijan to Saudi Arabia began with a pilgrimage to Mecca to Muslims' principal shrine—the Kaba. Standing at the Holy Rock, Geydar Aliyev said: "Allah, having heard our righteous voice at this shrine, will surely accept our prayers, sending down peace and tranquillity to the land of Azerbaijan. And our country, having defended its territorial integrity, will advance along the path of independence."

On 10 July the president of Azerbaijan received in the residence assigned him in Jiddah the acting general secretary of the Islamic Conference Organization (ICO) (the general secretary of this organization is out of the country at this time).

Azerbaijan, the first of the republics of the former Union to join the ICO, intends to expand relations in this organization, Geydar Aliyev emphasized. At the same time, as the president observed, in the present situation in which the republic has found itself it hopes for and expects help from the ICO.

Having informed the president of Azerbaijan in detail of the activity of the ICO, the acting general secretary of the Islamic Conference Organization noted that its main goal is the achievement of solidarity among Muslim countries and a broadening of their cooperation. According to him, the ICO is familiar with the economic situation in Azerbaijan and is displaying interest in its domestic and foreign policy.

The parties were of the unanimous opinion that there are good possibilities for the development of ties between the Islamic Conference Organization and the Azerbaijan Republic.

Geydar Aliyev and the persons accompanying him then visited the Trade and Industry Chamber in Jeddah. Shaykh Ismail Abu Da'ud, president of the chamber, informed the president of Azerbaijan in detail of its activity. The chamber, which has more than 30,000 members, maintains close business contacts with many countries. Negotiations on the establishment of relations with Azerbaijan also are under way.

As Geydar Aliyev declared, Azerbaijan, a young independent state, has in the economy adopted a firm policy of market reforms. According to him, the establishment of ties between the republic and Saudi Arabia, for which the first steps are now being taken, could contribute to their success also.

As the president observed, the conditions have now been created for a reform of the economy and the development of cooperation. Stability has been established within the country. As far as the military aggression on the part of Armenia is concerned, Azerbaijan, the head of state expressed confidence, will shortly secure its territorial integrity.

Concerning the question of the attraction to Azerbaijan of foreign investments, Geydar Aliyev declared that the president is a guarantor of their protection. Having presented information on the progress of the negotiations with Western oil companies, he emphasized: "Foreign investors believe in our country, and Arab businessmen may be at ease on this issue also."

In the afternoon of 10 July the president of Azerbaijan received at his residence Ahmad Muhammad Ali, general secretary of the Islamic Unity Society. Speaking of the situation in the country, Geydar Aliyev noted the need, together with material assistance for the republic, for the truth about Azerbaijan to be conveyed to the world community.

The same day the head of the Azerbaijani state received Farid Yasina al-Gurashi, general secretary of the Nijjat international Islamic organization. This organization, which operates in 90 countries, is rendering the Azerbaijani refugees great assistance also and has taken under its wing 13,000 of our families. It recently sent Azerbaijan two planeloads of humanitarian aid.

It was observed at the meeting that the Nijjat organization will shortly embark on the creation in Azerbaijan of new jobs and the construction of a hospital in Baku.

The president of Azerbaijan then received Osam Jafar Fagui, president of the Islamic Development Bank. Questions of the bank rendering Azerbaijan financial assistance and also a number of questions concerning the situation in the country were broached at the meeting. Agreement was reached on the presentation as soon as possible for expert consideration of specific proposals for the development of cooperation.

In the evening of 10 July Fahd Bin-'Abd-al-'Aziz Al Sa'ud, king of Saudi Arabia, hosted a reception in honor of Geydar Aliyev, president of Azerbaijan. High-level negotiations between Azerbaijan and Saudi Arabia then began.

As Geydar Aliyev's meetings in Jiddah held in the course of the visit testify, Azerbaijan reposes big hopes in the support of such an influential country of the Arab and Islamic world as Saudi Arabia, which, in turn, aspires to ensure that Azerbaijan occupy a worthy place among the Muslim states.

A meeting was held on 11 July between Geydar Aliyev, head of the Azerbaijani state, and Fahd Bin-'Abd-al-'Aziz Al Sa'ud, king of Saudi Arabia. The principles of bilateral cooperation in the sphere of the economy, policy, and culture and also problems connected with the war into which Azerbaijan has been pulled were discussed in the course of the top-level negotiations.

A statement was signed on the results of the negotiations. It points out that the parties emphatically condemn Armenia's military aggression against Azerbaijan and view Armenia's attempts to capture Azerbaijani territory by force as contrary to international standards. The document demands the withdrawal of Armenian armed forces from the territory of Azerbaijan and a settlement of the conflict by peaceful, political means.

The negotiations between Azerbaijan and Saudi Arabia continued on 12 July.

On 12 July Geydar Aliyev, president of the Azerbaijan Republic, and the persons accompanying him went from Jiddah to Medina. The head of the Azerbaijani state was met at the local airport by 'Abd- al Majid Bin-'Abd-al-'Aziz Al Sa'ud, governor of Medina, and other officials.

The same day the president of Azerbaijan and the persons accompanying him visited the Mosque of the Prophet, celebrated evening prayer here, and visited the tomb of the Prophet Mohammed and other prominent figures of the Islamic religion. Geydar Aliyev and the members of the Azerbaijani delegation then viewed the Mosque of the Prophet and familiarized themselves with the mosque's library-museum and the rare copies of the Koran kept here.

During the visit to the Mosque of the Prophet and the library- museum the president of Azerbaijan was accompanied by Dr. Mahmud Bin-Muhammad al-Safar, minister for hajj and awqaf, and other officials.

In the morning of 13 July Geydar Aliyev visited the Medina Printing Works, where the Koran is printed. On behalf of the servant of the two holy places, Fahd Bin-'Abd-al-'Aziz Al Sa'ud, king of Saudi Arabia, the president of Azerbaijan was presented with rare copies of the Koran.

The same day the delegation of Azerbaijan headed by Geydar Aliyev returned home from Saudi Arabia. The president of Azerbaijan was met at Bina Airport by Rasul Guliyev, chairman of the Supreme Council of the republic, Prime Minister Suret Guseynov, and other officials.

Georgia

Troop Withdrawal From Kodor Gorge Suspended

LD1907114194 Moscow INTERFAX in English 1102 GMT 19 Jul 94

[Text] The withdrawal of Georgian troops from the Kodori Gorge in Abkhazia is suspended, Interfax was told Tuesday by Deputy Georgian Prime Minister, Tamaz Nadareishvili, who is responsible for relations with Abkhazia. This has been done, he said, because last week Abkhazian and North Caucasian militants wearing police uniform entered the Gorge with the knowledge of Russian peacekeepers.

Nadareishvili is sure that several units of Russian peacekeepers are unable to provide security for civilian population. He said that the local Svans are against the withdrawal of Georgian troops from the Gorge.

Meanwhile, all Georgian services, which are following the developments in the Gorge, including the Defense Ministry and the president's services, refused on Tuesday to

comment on the situation in that part of Abkhazia. A spokesman for the Defense Ministry said that in line with the agreement, Georgian troops would be withdrawn from there.

The understandings reached on July 11 between representatives of the Georgian and Abkhazian armed forces, as well as Russian peacekeepers, provide for the withdrawal of Georgian troops from the Gorge by July 20.

Official Sukhumi assessed Georgia's actions as being in violation of the cease-fire and disengagement agreement signed in Moscow on May 14. In line with the agreement the CIS peacekeeping operation is being carried out in the zone of the Georgian-Abkhazian conflict.

Russian Commander Say Situation Stable in Gali

LD1907165894 Tbilisi IPRINDA in Russian 1400 GMT 19 Jul 94

[Text] Zugdidi (IPRINDA) [no dateline as received]—Speaking to an IPRINDA news agency correspondent, Colonel Vasiliy Zarubitskiy, the commander of the Russian peacekeeping forces stationed along the Inguri River in Gali Rayon, said that the situation in the zone under his supervision is stable. There are some difficulties in the food supply and jobs provision for the local population, and the like. In the colonel's words, the blue helmets have normal relations with the Gali Rayon authorities. Operations on mine-clearing are going on and no incidents have been reported. Speaking on the issue of disarming the population, the colonel said that the majority of the population had voluntarily submitted weapons. Some cases of looting have been reported. The criminals are of various nationalities.

Vasiliy Zarubitskiy has also said that 24 peacekeeping forces posts have already been established in Gali Rayon. The blue helmets also guard the Inguri power station.

Source Says Abkhazia Threatens To Disrupt Cease-Fire

LD2007100094 Moscow ITAR-TASS in English 0939 GMT 20 Jul 94

[By ITAR-TASS correspondent Irina Shchegoleva]

[Text] Sochi July 20 TASS—Representatives of CIS peacemaking forces in Abkhazia and top-level commanders of Georgian and Abkhazian Armed Forces meet today to discuss pull-out of Georgian armed units from the Kodor Gorge, ITAR-TASS Was told at the Abkhazian Ministry of Press and Information.

The source quoted Abkhazian Defence Minister Sultan Sosnoliyev as saying that, given the fact that the term for pull-out of Georgian armed units expires today, Abkhazian Armed Forces will take corresponding measures unless the pull-out issue is resolved.

"Non-pull-out" of Georgian armed units from the Kodor Gorge will result in Abkhazia's failure to comply with the rest of provisions specified in a cease-fire agreement, which was signed last May in Moscow, including those related to the return of refugees and displaced persons to Abkhazia, Abkhazian Vice-Premier Stanislav Lakoba added.

Shevardnadze Views Business Ties With Moscow

LD1907172494 Tbilisi Radio Tbilisi Network in Georgian 1300 GMT 19 Jul 94

[Excerpts] Eduard Shevardnadze met with a group of Georgian entrepreneurs, ministers, factory managers, and businessmen ahead of a joint conference of Russian and Georgian business leaders.

Opening the meeting, he noted that the forthcoming conference, scheduled to begin 21 July, would be held at the initiative of the Citizens' Union of Georgia. The conference will attempt to foster an expansion of economic cooperation between Georgia and Russia. The Georgian leader stressed that all prerequisites, including the unity of Russian and Georgian entrepreneurs' business interests, were in place for developing such cooperation.

Speakers at the meeting were unanimous that cooperation with Russia was in the interests of both sides. [passage omitted]

Other aspects of the economy were raised at the meeting. A further drop in production was noted. For example, only 129 of the 315 enterprises in Georgia were working. Moreover, those that did work were not working at full capacity. There were shortages of electricity, fuel, and gas. A rise in the debt for Turkmen gas was noted.

Georgian Prime Minister Patsatsia said that Tbilisi intended to use future credits to cater for the needs of the electricity system, to purchase grain, and improve the operation of the Tbilisi metro.

Participants in the meeting expressed confidence that, despite existing difficulties, the dialogue with Russian entrepreneurs would be conducted in a businesslike atmosphere and lead to tangible results beneficial for both countries.

Shevardnadze concluded the meeting by stressing the political significance of the conference, saying that such meetings should help facilitate interregional contacts within the framework of Russo-Georgian relations. He said that the conference should lay a new and strong foundation for relations between the two countries and should be regularly held.

Estonia

Laar Backs U.S. Move To Link Russian Aid to Troop Pullout

LD1907165694 Tallinn Radio Tallinn Network in Estonian 1500 GMT 19 Jul 94

[Text] Prime Minister Laar told a news conference today that the recent decision by the United States Senate to suspend aid to Russia, if Russia does not withdraw its troops from Estonia by 31 August, is well timed and extremely important for Estonia. Laar termed the criticism against the Senate by Vello Saatpalu, the chairman of the Estonian Parliament foreign commission, as inappropriate.

Laar said that Estonia would not sign an agreement with Russia similar to the one signed by Latvia. According to Laar, for both the United States and the leading Western European countries the Russian troop withdrawal from Estonia is the litmus test, which demonstrates the direction of Russia's political development and also the prospects for the relations between Russia and the West. The prime minister hoped that statements by high-ranking U.S. officials would have a sobering effect on Russia.

On a positive note, Laar mentioned that Russian troops have started to leave Estonia. A Russian naval base in Tallinn is in the process of being closed down and several dozen Russian Federation representatives have been allowed to enter Estonia to assist with the closure. Laar emphasized that the Paldiski facility will revert to Estonian control by 31 August.

Ministry Says Grachev Remarks Show 'Prejudice'

WS2007093394 Tallinn Ministry of Foreign Affairs Press Release in English 1954 GMT 19 Jul 94

["Immediate release" from the Estonian Ministry of Foreign Affairs in Tallinn on 19 July—received via Internet E-LIST]

[Text] On 19 July at midday, before the latest round of talks between Estonian Foreign Ministry Deputy Chancellor Raul Malk and Russian Deputy Foreign Minister Vitaliy Churkin had gotten underway in Helsinki, the news agency ITAR-TASS released Russian Defence Minister Pavel Grachev's comments on the negotiations.

Noting that his deputy, Colonel General Valeriy Mironov, was participating in the dialogue, Grachev said that "according to the advance information he had received from Helsinki, the negotiations process is proving difficult."

Commenting on the fact that Russia's Defence Minister gave his appraisal of the negotiations even before the talks had begun, Estonian Foreign Ministry Chief of Policy Planning Riina Kionka said that this is how Russia is demonstrating its attitude. "We cannot regard this step as being either constructive or polite. The fact that Russia is evaluating the talks negatively even before the sides were able to sit down at the negotiating table shows Russia's attitude and prejudice toward the outcome of the talks," Kionka noted.

Grachev's 'Negative Assessment' Criticized

LD2007101494 Tallinn Radio Tallinn Network in Estonian 1700 GMT 19 Jul 94

[Excerpts] Raul Malk, the deputy chancellor of the Estonian Foreign Ministry, met Russian Deputy Foreign Minister Vitaliy Churkin at Koenigstaedt near Helsinki today. [passage omitted]

Russian Defense Minister Pavel Grachev claimed at a news conference held in Moscow at lunchtime today that according to the latest news from Helsinki, the talks had so far not produced any results. Grachev also reiterated that Russia would not withdraw her troops from Estonia until the Russians' rights here are guaranteed.

Commenting upon the fact that the Russian defense minister evaluated the progress of talks even before the talks had started, Riina Kionka, the head of the Estonian Foreign Ministry's policy drafting group, said that this is how Russia displays her attitude. Kionka noted that Estonia cannot view this step as being constructive or polite. The fact that Russia provides a negative assessment even before [words indistinct] demonstrates Russia's attitude and prejudice in respect of the outcome of the talks.

Baltic Fleet Naval Base in Tallinn To Close 27 Jul

WS2007093994 Tallinn BNS in English 1907 GMT 19 Jul 94

[Text] Tallinn, Jul 19, BNS—The Russian Baltic Fleet Tallinn navy base will be closed on July 27. The Estonian Government today permitted a 29-member Russian military delegation into Estonia to attend the closing ceremony. The high-level Russian delegation is led by commander of the Baltic fleet Admiral Vladimir Yegorov. The delegation also includes 29 Russian officers and five journalists from Moscow and Kaliningrad.

The 144th Russian motorized rifle division in the Keila town will be disbanded by July 30. To organise the disbandment, five Russian militaries were allowed into Estonia on July 12.

In addition to the Keila tank regiment, units of the 144th division are also situated at Klooga and Tondi in Tallinn. A number of tanks and field guns belonging to the 144th division are also still in Estonia. Most of the division's equipment was taken out of Estonia during the fall and winter of 1993. In December, the Estonian Government granted 80 transport permissions to the division's command, for the departure of 16 troop trains with 96 vehicles and 1,800 tons of Russian military property. In November 1993, eight troop trains with the equipment and inventory of the 144th division left Estonia. A total of 57 vehicles and 2,000 tons of inventory were taken out. In December

1993, about 1,000 persons were serving in the 144th motorized rifle division in Estonia.

The Russian 56,190 navy unit in Paldiski, which has been responsible for the care and guarding of the two nuclear reactors, is also to dismantle them in the future.

Latvia

Minister Says Chances for NATO Integration 'Increased'

WS1907141494 Tallinn BNS in English 1307 GMT 19 Jul 94

[Text] Riga, July 19, BNS—Starting of talks with the North Atlantic Treaty Organization (NATO) on possible cooperation between Latvia and NATO testifies that Latvia's chances to integrate into the NATO structures have increased, especially now, when forces, unfavorable for Latvia, rule in Eastern states, Latvian Justice Minister Egils Levits said Monday at a press briefing. Levits stressed that an untraditional situation has formed in Latvia now: the government has resigned, but it continues to perform its duties according to Latvia's Constitution thus eliminating the state crisis.

As reported, Latvian Prime Minister Valdis Birkavs handed to NATO Deputy Secretary General Sergio Balanzino Latvia's presentation document on implementation of the NATO Partnership for Peace program.

Russian Negotiator, Deputy Cited on Withdrawal Pact

WS2007090794 Riga LETA in English 1552 GMT 20 Jul 94

[Excerpts] Riga, July 19, LETA—The daily "DIENA" quoted Sergey Zotov, the head of Russian delegation to the talks with Latvia, as saying that he regarded ratification by both the parliaments of the troop withdrawal agreements signed on April 30 as the key item of Latvian-Russian relations. On Monday, upon his arrival to Latvia, Zotov stressed that he had also come as an official envoy of the Russian president in the affairs concerning the ratification of the agreements at the federal assembly of the Russian Federation. He said that the outcome of current Latvian-Russian talks in Jurmala, Latvia, could be crucial in the matter. [passage omitted]

The correspondent of "DIENA" in Moscow reported that the ratification of the agreements at the Russian parliament might already take place this week. Sergey Stankevich, a deputy of the Russian State Duma and the former political adviser to Russian President Boris Yeltsin, said that the Duma's Committee on International Affairs had done its best to prepare for successful ratification. "Democrats and the center intend to vote for it, and their number is sufficient to ratify the agreements," Stankevich claimed. However, the Russian opposition calls to suspend the troop removal citing the lack of the clearly defined Latvian law on citizenship. Stankevich also admitted that the current draft of the law was unacceptable for Russia. Nevertheless, he said that he believed that Russia should make the first move and ratify the documents, thus clearing the way for normal relationship between the two countries.

Birkavs Comments on Brussels Visit, PFP Accord

LD1907163994 Riga Radio Riga Network in Latvian 1300 GMT 19 Jul 94

[Text] Latvia has taken more or less huge steps forward, said Premier Valdis Birkavs, on his return to Riga this afternoon from Brussels. The premier presented Latvia's proposals to NATO for cooperation in the framework of NATO Partnership for Peace program. Likewise in Brussels, he signed a free trade agreement with the European Union.

[Begin Birkavs recording] The reform process is a guarantee of independence, [words indistinct] the European Union, and neutrality is death to Latvia. With this treaty which we signed yesterday, with the documents which we presented to the Partnership for Peace, we have in fact with justification ended the consequences of World War II. [Word indistinct], but we have returned to where we were, in Europe. The German foreign minister, in the presence of the foreign ministers of 16 European countries, announced that Latvia has been recognized as part of Europe--of course that also applies to Lithuania and Estonia—and it has been granted its place in Western Europe, (?through) the treaty and economic developments [word indistinct] for Latvia's future.

The Latvian economy is not threatened, quite the contrary, by guaranteeing the conditions for its welfare. The Partnership for Peace has confirmed our new office; this week [words indistinct] and I was invited to the Partnership for Peace. Now we will start speaking of the IPP—that means the Individual Partnership Program. A group of experts will start working there, and starting from September, on the basis of the documents we presented, an Individual Partnership Program will be created. [end recording]

Lithuania

Government Agrees To Send Peacekeeping Unit to Croatia

LD1907204694 Vilnius Radio Vilnius Network in Lithuanian 2000 GMT 19 Jul 94

[Text] The Seimas adopted a decision to send a Lithuanian army peacekeeping unit to take part in the UN international peace keeping operations in Croatia. It will go there in the composition of a Danish battalion.

A unit consisting of 40 soldiers will take part in the operations in Croatia until 1 March 1995.

Joint Lithuania-Danish exercises started in the Rukla military training center on 18 July. The Danish unit arrived with its military equipment. It includes soldiers who have already taken part in UN missions. Later the

exercises will be continued in Denmark. At the end of August Lithuanian and Danish soldiers will depart for Croatia. [passage indistinct]

Free Trade Agreement Signed With European Union

LD1907213894 Vilnius Radio Vilnius in English 2100 GMT 19 Jul 94

[Text] Upon returning from Brussels, where on Monday he signed a free trade treaty between Lithuania and the European Union, the Lithuanian Foreign Minister Povilas Gylys said that free trade with the European Union was more than half associated membership with the organization.

The minister is confident that the treaty will give Lithuania an opportunity to accelerate the development of international economic cooperation. Lithuania, however, will have to face competition of foreign goods which are of higher quality and in most cases cheaper.

In order to help Lithuania protect the interests of its manufacturers, the European Union agreed that for a certain period of time the principle of asymmetric trade should be observed. As of the beginning of 1995 the markets of European Union will be open for Lithuanian production, while Lithuania will be able to limit imports from the West for the next six years.

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